State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

**Product Name:** PPACA Dental Filing

Project Name/Number: /

# Filing at a Glance

Company: SeeChange Health Insurance Company, Inc.

Product Name: PPACA Dental Filing

State: Colorado

TOI: H10G Group Health - Dental Sub-TOI: H10G.000 Health - Dental

Filing Type: Rate

Date Submitted: 06/15/2013

SERFF Tr Num: SHIC-129076988 SERFF Status: Closed-Filed

State Tr Num: 279017 State Status: Filed

Co Tr Num:

Implementation 01/01/2014

Date Requested:

Author(s): Dan Boivin, Lenita Gullman

Reviewer(s): Nichole Boggess (primary), Cathy Gilliland, Michael Muldoon, Amy Filler, Rachel Plummer,

Scott Campbell

Disposition Date: 08/13/2013

Disposition Status: Filed

Implementation Date: 01/01/2014

State Filing Description:

Binder SHIC-CO14-125002908

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

Product Name: PPACA Dental Filing

Project Name/Number: /

# **General Information**

Project Name: Status of Filing in Domicile: Not Filed

Project Number: Date Approved in Domicile:
Requested Filing Mode: File & Use Domicile Status Comments:

Explanation for Combination/Other: Market Type: Group

Submission Type: New Submission Group Market Size: Small Group Market Type: Employer Overall Rate Impact:

Filing Status Changed: 08/13/2013

State Status Changed: 08/13/2013 Deemer Date:

Created By: Lenita Gullman Submitted By: Lenita Gullman

Corresponding Filing Tracking Number:

Filing Description:
PPACA Dental Filing

# **Company and Contact**

# **Filing Contact Information**

Daniel Boivin, dboivin@seechangehealth.com

10159 Wayzata Blvd. 763-582-1260 [Phone]

Minnetonka, MN 55305

## **Filing Company Information**

SeeChange Health Insurance CoCode: 63541 State of Domicile: California

Company, Inc. Group Code: Company Type: LAH 10159 Wayzata Blvd. Group Name: State ID Number: CO

Suite 200 FEIN Number: 35-0982487

Minnetonka, MN 55305

(732) 676-2637 ext. 112[Phone]

# **Filing Fees**

Fee Required? No Retaliatory? No

Fee Explanation:

# **State Specific**

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

Product Name: PPACA Dental Filing

Project Name/Number: /

Please enter state-specific code(s) found in Colorado's Filing Requirements Bulletins, or on the General Instructions page. Please list all applicable state-specific codes. If no codes are applicable, please enter N/A.: 645

All rate and loss cost filing types MUST be submitted with completed Rate Data Fields in accordance with Sections 10-4-401 and 10-16-107 C.R.S. This requirement does not apply to form filing types. Rate and loss cost filings not including this data will be rejected. If this is a rate or loss cost filing, have these fields been completed?: Yes

Have you completed the Forms Schedule Tab? ALL Life, Accident, and Health Rate and Form filing types require the Form Schedule Tab to be completed. In addition, all Form, Annual Form Certification, and Refund Calculation filing types require the Form Schedule Tab to be completed. The actual form must be attached to Form filing types only when filing: Medicare Supplement, Long-Term Care Partnership, Stop Loss, P&C Summary Disclosure Forms, and Workers Compensation. It is not necessary to submit the actual form for other lines of insurance. Thank you.: Yes

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

Product Name: PPACA Dental Filing

Project Name/Number: /

# **Correspondence Summary**

**Dispositions** 

- Status	Created By	Created On	Date Submitted
Filed	Nichole Boggess	08/13/2013	08/13/2013

# **Objection Letters and Response Letters**

Objection Letters Response Letters

Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Amy Filler	08/05/2013	08/05/2013	Lenita Gullman	08/06/2013	08/06/2013
Pending Industry Response	Scott Campbell	07/30/2013	07/30/2013	Lenita Gullman	07/31/2013	07/31/2013
Pending Industry Response	Scott Campbell	07/29/2013	07/29/2013	Lenita Gullman	07/30/2013	07/30/2013
Pending Industry Response	Scott Campbell	07/28/2013	07/28/2013	Lenita Gullman	07/29/2013	07/29/2013
Pending Industry Response	Michael Muldoon	07/14/2013	07/14/2013	Lenita Gullman	07/17/2013	07/17/2013
Pending Industry Response	Nichole Boggess	07/10/2013	07/10/2013	Lenita Gullman	07/16/2013	07/16/2013
Pending Industry Response	Nichole Boggess	06/26/2013	06/26/2013	Lenita Gullman	07/09/2013	07/09/2013

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

Product Name: PPACA Dental Filing

Project Name/Number: /

**Filing Notes** 

Subject	Note Type	Created By	Created On	Date Submitted
Disregard Objection	Note To Filer	Amy Filler	08/05/2013	08/05/2013
Confidentiality Request	Note To Reviewer	Lenita Gullman	07/18/2013	07/18/2013

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

**Product Name:** PPACA Dental Filing

Project Name/Number: /

# **Disposition**

Disposition Date: 08/13/2013 Implementation Date: 01/01/2014

Status: Filed

Comment: State Tracking #279017

Company: SeeChange Health Insurance Company Product Line: Small Group Dental PPO and MAC PPO

Rate Implementation Summary

Effective Date of New Rate Implementation: 1/1/2014 through 12/31/2014

This is a new Filing for 2014 Standalone Dental plans, there is no rate change involved with this filing.

The purpose of this rate filing is to establish new product rates for standalone dental plans that are reasonable relative to the benefits provided and to demonstrate compliance with state laws and provisions of the Exchange if applicable.

Off Exchange Only Plans

Child Only Pediatric: 2 plans. Low AV PPO, High AV PPO

Other Adult & Child: 3 plans. Low EHB wrap plans "High", "Mid", "Low"

Final Rate Filing Disposition

The Division has filed the rates in their final form after all adjustments.

See attached letter for additional details regarding this filing.

	Overall %	Overall %	Written Premium	# of Policy	Written	Maximum %	Minimum %
Company	Indicated	Rate	Change for	<b>Holders Affected</b>	Premium for	Change	Change
Name:	Change:	Impact:	this Program:	for this Program:	this Program:	(where req'd):	(where req'd):
SeeChange Health	0.000%	0.000%	\$0	0	\$0	0.000%	0.000%
Insurance Company, Inc.							

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	HR-1 Form (H)		Yes

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

Product Name: PPACA Dental Filing

Project Name/Number: /

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document			
Supporting Document	EHB Apportionment Certification		Yes
Supporting Document	Actuarial Certification		Yes
Supporting Document (revised)	Actuarial Memorandum Dental 1000 1500 2000		Yes
Supporting Document	Actuarial Memorandum Dental 1000 1500 2000		Yes
Supporting Document	Actuarial Memorandum Dental 1000 1500 2000		Yes
Supporting Document	Actuarial Memorandum Child Dental 1 2		Yes
Supporting Document	Response Letter to Objection		Yes
Supporting Document	Confidentiality Request		Yes
Supporting Document	Response to Objection Letter dated 7/10/2013		Yes
Supporting Document	Colorado Administration Breakdown		Yes
Supporting Document	Response to Objection Letter dated 7_29_2013		Yes
Form	Evidence of Coverage		Yes
Form	Summary of Benefits & Coverage (English)		Yes
Form	Summary of Benefits & Coverage (Spanish)		Yes
Form	Letter of Authority		Yes
Form	Certificate of Compliance		Yes
Form	PPACA Uniform Compliance Summary		Yes
Rate (revised)	Rate Tables Dental 1000 1500 2000		No
Rate	Rate Tables Dental 1000 1500 2000		No
Rate	Rate Tables Dental 1000 1500 2000		No
Rate	Rate Tables Dental Child Plan 1 2		No
Rate	Rate Summary		No

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

**Product Name:** PPACA Dental Filing

Project Name/Number: /

Schedule	Schedule Item	Schedule Item Status	Public Access
Rate	Rate Manual		Yes

**Final Disposition Letter** 

State Tracking #279017

Company: SeeChange Health Insurance Company

Product Line: Small Group Dental PPO and MAC PPO

## **Rate Implementation Summary**

Effective Date of New Rate Implementation: 1/1/2014 through 12/31/2014

This is a new Filing for 2014 Standalone Dental plans, there is no rate change involved with this filing.

The purpose of this rate filing is to establish new product rates for standalone dental plans that are reasonable relative to the benefits provided and to demonstrate compliance with state laws and provisions of the Exchange if applicable.

Off Exchange Only Plans

Child Only Pediatric: 2 plans. Low AV PPO, High AV PPO.

Other Adult & Child: 3 plans. Low EHB wrap plans "High", "Mid", "Low".

## **Rate Methodology**

Experience Used for Rate Setting: Uses AWMS database of national dental plans for setting rates. SeeChange does not have Colorado or California data needed to set base rates.

2012 Experience Period Loss Ratio: 67.3% loss ratio for an average of 214,564 lives enrolled with \$81.1 million in premium (\$31.52 pmpm).

Annual Dental Cost Trends: 4.0% dental trend used in 2014 ( 3.0% unit cost trend, 1.0% utilization trend. AWMS and SeeChange provided 3.5 years of monthly detailed claim trend data to support trend levels.

Area Rating: Rates vary by the 11 Colorado rating areas. The average rating adjustment is 0%. Area factors vary from -14.4% in NorthEast Colorado to +5.6% in Colorado Springs.

Rate Structure: Child Only plan rates are per child, with up to 3 children maximum rated on any policy. Adult and Child plans are multiple tier rated.

# Premium Retained to Cover Expenses, Taxes Fees and Profits

Administrative costs: Expenses the insurance company pays to operate this insurance plan.

This includes all expenses not directly related to paying claims, such as, but not limited to, salaries of company employees, the cost of the company's offices and equipment, commissions to agents to sell and service policies, subsidies to cover legally required plans such as portability, and taxes.

Profit: The amount of money remaining after claims and administrative expenses are paid. Margin is the comparable term for a nonprofit insurance company.

The average premium retained is 30.0% split out as follows:

	<u>Issuer I</u>	Primary Expense and Profit Retention	% of Premium <u>Retained</u>
		Administrative Expenses	8.00%
		Commissions	<u>15.00%</u>
		Broker Commissions:	10.00%
		General Agent Commissions:	5.00%
		Profit and Contingencies:	3.00%
		Premium Taxes:	2.35%
		PPACA Health Insurer Fee (Excise Tax):	1.65%
(A)	Total:		30.00%
(B)	Colorad	do Conventional Loss Ratio (100% - A):	70.00%

# **Sample of Final Premium Levels**

		High		Lo	w	
		PPACA Child	PPACA Child	PPACA Dental	PPACA Dental	PPACA Dental
		Dental 1	Dental 2	1000	1500	2000
Rating Area 1	Individual Rate*	\$0.00	\$0.00	\$34.47	\$39.27	\$44.46
Aleai	Couple *	\$0.00	\$0.00	\$68.95	\$78.55	\$88.92
	Primary Subscriber and One Dependent*	\$32.79	\$27.97	\$64.07	\$70.55	\$77.13
	Primary Subscriber and Two Dependents*	\$65.58	\$55.94	\$93.66	\$101.83	\$109.79
	Primary Subscriber and Three or More					
	Dependents*	\$98.37	\$83.90	\$123.25	\$133.10	\$142.46
	Couple and One Dependent*	\$32.79	\$27.97	\$98.54	\$109.82	\$121.58
	Couple and Two Dependents*	\$65.58	\$55.94	\$128.13	\$141.10	\$154.25
	Couple and Three or More Dependents*	\$98.37	\$83.90	\$157.72	\$172.38	\$186.92
Rating Area 2	Individual Rate*	\$0.00	\$0.00	\$35.67	\$40.64	\$46.01
	Couple *	\$0.00	\$0.00	\$71.35	\$81.28	\$92.02
	Primary Subscriber and One Dependent*	\$33.93	\$28.94	\$66.30	\$73.01	\$79.81
	Primary Subscriber and Two Dependents*  Primary Subscriber and Three or More	\$67.86	\$57.89	\$96.92	\$105.38	\$113.62
	Dependents*	\$101.79	\$86.83	\$127.55	\$137.74	\$147.43
	Couple and One Dependent*	\$33.93	\$28.94	\$101.97	\$113.65	\$125.82
	Couple and Two Dependents*	\$67.86	\$57.89	\$132.60	\$146.02	\$159.63
	Couple and Three or More Dependents*	\$101.79	\$86.83	\$163.22	\$178.38	\$193.43
Rating Area 3	Individual Rate*	\$0.00	\$0.00	\$35.07	\$39.95	\$45.23
Aicas	Couple *	\$0.00	\$0.00	\$70.14	\$79.90	\$90.45
	Primary Subscriber and One Dependent*	\$33.35	\$28.45	\$65.17	\$73.30	\$78.46
	Primary Subscriber and Two Dependents*	\$66.71	\$56.90	\$95.27	\$103.58	\$111.69
	Primary Subscriber and Three or More	300.71	750.50	\$33.27	\$103.38	Ş111.03
	Dependents*	\$100.06	\$85.35	\$125.38	\$135.40	\$144.92
	Couple and One Dependent*	\$33.35	\$28.45	\$100.24	\$111.72	\$123.68
	Couple and Two Dependents*	\$66.71	\$56.90	\$130.34	\$143.54	\$156.92
	Couple and Three or More Dependents*	\$100.06	\$85.35	\$160.45	\$175.35	\$190.15
Rating		40.00	4	400.00	407.40	***
Area 4	Individual Rate*	\$0.00	\$0.00	\$32.65	\$37.19	\$42.10
	Couple *	\$0.00	\$0.00	\$65.29	\$74.38	\$84.20
	Primary Subscriber and One Dependent*	\$31.05	\$26.49	\$60.67	\$66.81	\$73.04
	Primary Subscriber and Two Dependents*  Primary Subscriber and Three or More	\$62.10	\$52.97	\$88.69	\$96.43	\$103.97
	Dependents*	\$93.15	\$79.46	\$116.71	\$126.05	\$134.91
	Couple and One Dependent*	\$31.05	\$26.49	\$93.31	\$104.00	\$115.14
	Couple and Two Dependents*	\$62.10	\$52.97	\$121.34	\$133.62	\$146.07
	Couple and Three or More Dependents*	\$93.15	\$79.46	\$149.36	\$163.24	\$177.01
Rating	couple and three of More Dependents	<b>\$33.13</b>	Ç73. <del>4</del> 0	Ş1 <del>4</del> 3.30	Ş103.24	Ş177.01
Area 5	Individual Rate*	\$0.00	\$0.00	\$30.27	\$34.48	\$39.04
	Couple *	\$0.00	\$0.00	\$60.54	\$68.97	\$78.07
	Primary Subscriber and One Dependent*	\$28.79	\$24.56	\$56.25	\$61.94	\$67.72
	Primary Subscriber and Two Dependents*	\$57.58	\$49.11	\$82.23	\$89.41	\$96.40
	Primary Subscriber and Three or More Dependents*	\$86.37	\$73.67	\$108.22	\$116.87	\$125.08
	Couple and One Dependent*	\$28.79	\$24.56	\$86.52	\$96.43	\$106.76
	Couple and Two Dependents*	\$57.58	\$49.11	\$112.50	\$123.89	\$135.44
	Couple and Three or More Dependents*	\$86.37	\$73.67	\$138.48	\$151.35	\$164.12
Rating Area 7	Individual Rate*	\$0.00	\$0.00	\$31.10	\$35.43	\$40.11
	Couple *	\$0.00	\$0.00	\$62.20	\$70.86	\$80.21
	Primary Subscriber and One Dependent*	\$29.58	\$25.23	\$57.79	\$63.64	\$69.58
	Primary Subscriber and Two Dependents*	\$59.16	\$50.46	\$84.49	\$91.86	\$99.04

	High	Low			
	PPACA Child Dental 1	PPACA Child Dental 2	PPACA Dental 1000	PPACA Dental 1500	PPACA Dental 2000
Primary Subscriber and Three or More Dependents*	\$88.74	\$75.69	\$111.18	\$120.07	\$128.51
Couple and One Dependent*	\$29.58	\$25.23	\$88.89	\$99.07	\$109.68
Couple and Two Dependents*	\$59.16	\$50.46	\$115.59	\$127.29	\$139.15
Couple and Three or More Dependents*	\$88.74	\$75.69	\$142.28	\$155.50	\$168.62

# <u>Division Objections and Rate Changes During the Review Process</u>

The Division objected to premium retention illustrated of 35%. SeeChange corrected this to 30% which is what is being used in pricing.

The Division objected to adult and child PPO plans with Ortho rates included not being loaded into the rate data template.

# **Final Rate Filing Disposition**

The Division has filed the rates in their final form after all adjustments.

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

Product Name: PPACA Dental Filing

Project Name/Number: /

# **Objection Letter**

Objection Letter Status Pending Industry Response

Objection Letter Date 08/05/2013
Submitted Date 08/05/2013
Respond By Date 08/07/2013

Dear Daniel Boivin,

#### Introduction:

This filing has been received, but before further action can be taken, please address the following:

### Objection 1

- Rate Tables Dental 1000 1500 2000, [] (Rate)

Comments: Please provide a new rate manual for this filing. The manual should list out all plans, the plan IDs, the base rates, any factors that build up the premium (i.e. area or network factors), and the final premium. The Actuarial Memorandum is not a sufficient rate manual.

The formatting should be similar to the manual you posted on 06/15/2013. The issue with that manual is on page two: The three plans (PPACA Dental 2000 75099CO0320001, PPACA Dental 1500 75099CO0330001, and PPACA Dental 1000 75099CO0290001) are not distinguished by regions. There should be rating area factors for areas 1 through 11. All of the information on the manual should be clear to consumers and match to the rate data template submitted in the binder filing.

### Conclusion:

If any of the requested rate information results in changes to the filing forms (HR-1 or A, B, C or D), please also submit revised forms.

Colorado Insurance Regulation 1-1-8 requires that every person shall provide a complete response in writing to any inquiry from the Division of Insurance. This reply must be submitted by 08/07/2013, which is within 2 calendar days from the date of this correspondence.

The request for an extension of time must state the reason for such request and the number of additional days required to provide a complete response. Requests for additional time will be granted for good cause shown and for a reasonable period at the discretion of the Division. Requests for an extension of time must be submitted through SERFF.

Failure to provide a full or complete response, or to request an extension for a specified period, may result in the imposition of a \$500 fine under Colorado Insurance Regulation 1-1-8 and applicable surcharge pursuant to §24-34-108(2), C.R.S. This surcharge will be used to fund the development, implementation and maintenance of a consumer outreach and education program. Pursuant to Section 6 of Colorado Insurance Regulation 1-1-8, and after notice and hearing, additional sanctions may be sought under C.R.S. 10-1-215 and other fining and penalty provisions of Title 10.

Sincerely,

Amy Filler

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

Product Name: PPACA Dental Filing

Project Name/Number: /

# **Objection Letter**

Objection Letter Status Pending Industry Response

Objection Letter Date 07/30/2013
Submitted Date 07/30/2013
Respond By Date 07/31/2013

Dear Daniel Boivin,

### Introduction:

This filing has been received, but before further action can be taken, please address the following:

### Objection 1

- Rate Summary, [] (Rate)

Comments: For each plan, you need to have all rates reflected in your Plans and Benefits template, Rate Data template, and rate manual. Because you offer plans both with and without orthodontics in your rate manual, you need to show those as separate plans in your Plans and Benefits template and Rate Data template. Because of SERFF limitations, you cannot add plans to a binder that has already been created. This is going to require that you submit a new binder with a Plans and Benefits template and Rate Data template that shows all of the possible combinations of plans, with and without orthodontics. According to what we see in your rate manual, your templates should show 8 plans: it should include your plans 75099C00320001, 75099C00330001 and 75099C00290001, both with and without orthodontics, and plans 75099C00310001 and 75099C00300001.

Per my conversation with Ty there will be 9 plans added to the new PBT,RDT, and rate manual

### Conclusion:

If any of the requested rate information results in changes to the filing forms (HR-1 or A, B, C or D), please also submit revised forms.

Sincerely,

Scott Campbell

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

Product Name: PPACA Dental Filing

Project Name/Number: /

# **Objection Letter**

Objection Letter Status Pending Industry Response

Objection Letter Date 07/29/2013
Submitted Date 07/29/2013
Respond By Date 07/30/2013

Dear Daniel Boivin,

#### Introduction:

This filing has been received, but before further action can be taken, please address the following:

## Objection 1

- Rate Tables Dental 1000 1500 2000, [] (Rate)
- Rate Tables Dental Child Plan 1 2, [] (Rate)

Comments: Please provide the buildup for all PPO plans both child and adult rates what you have done in Exhibit 1 for LOW MAC Child plan, so we are able to match what you have in the rating manual to the rate data template.

#### Conclusion:

If any of the requested rate information results in changes to the filing forms (HR-1 or A, B, C or D), please also submit revised forms.

Sincerely,

Scott Campbell

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

Product Name: PPACA Dental Filing

Project Name/Number: /

# **Objection Letter**

Objection Letter Status Pending Industry Response

Objection Letter Date 07/28/2013
Submitted Date 07/28/2013
Respond By Date 07/29/2013

Dear Daniel Boivin,

#### Introduction:

This filing has been received, but before further action can be taken, please address the following:

## Objection 1

- Response to Objection Letter dated 7/10/2013 (Supporting Document)

Comments: The rating factors that you have shown in this exhibit does not match accordingly to the 'Rate Data' Template for a Primary Subscriber with children or Couples with Children. An example of this is Plan 290001, rating area 1, a couple with 1 child in the supporting documents exhibit has the correct price of \$96.91 found from the two adult rates plus 1 child rate (34.47+34.47+27.97), but when looking at the Rate Data Template the rate is \$98.54. These errors of not matching occur in every Primary Subscriber with children or Couples with Children. Please update the Rate Data Template to show the correct price that is listed out in the Rating Manual exhibit that you submitted.

#### Conclusion:

If any of the requested rate information results in changes to the filing forms (HR-1 or A, B, C or D), please also submit revised forms.

Colorado Insurance Regulation 1-1-8 requires that every person shall provide a complete response in writing to any inquiry from the Division of Insurance. This reply must be submitted by 07/29/2013, which is within 1 calendar days from the date of this correspondence. If additional time is required to provide a complete response, including any documentation which is requested, a request for an extension of time must be submitted by 07/29/2013.

The request for an extension of time must state the reason for such request and the number of additional days required to provide a complete response. Requests for additional time will be granted for good cause shown and for a reasonable period at the discretion of the Division. Requests for an extension of time must be submitted through SERFF.

Failure to provide a full or complete response, or to request an extension for a specified period, may result in the imposition of a \$500 fine under Colorado Insurance Regulation 1-1-8 and applicable surcharge pursuant to §24-34-108(2), C.R.S. This surcharge will be used to fund the development, implementation and maintenance of a consumer outreach and education program. Pursuant to Section 6 of Colorado Insurance Regulation 1-1-8, and after notice and hearing, additional sanctions may be sought under C.R.S. 10-1-215 and other fining and penalty provisions of Title 10.

Sincerely,

Scott Campbell

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

Product Name: PPACA Dental Filing

Project Name/Number: /

# **Objection Letter**

Objection Letter Status Pending Industry Response

Objection Letter Date 07/14/2013
Submitted Date 07/14/2013
Respond By Date 07/17/2013

Dear Daniel Boivin,

#### Introduction:

This filing has been received, but before further action can be taken, please address the following:

## Objection 1

Comments: In the section supporting retention levels you state that "The expense assumptions used to develop the premiums are based on the companys actual costs developed from experience with other Group Insurance Forms."

In each product actuarial memorandum please justify each retention component by showing how they were developed from the experience cited above:

Administration 12.5%

Commissions 15%

Premium Tax 4% - please split this out for all taxes separately

Risk Margin 3%

### Conclusion:

If any of the requested rate information results in changes to the filing forms (HR-1 or A, B, C or D), please also submit revised forms.

Colorado Insurance Regulation 1-1-8 requires that every person shall provide a complete response in writing to any inquiry from the Division of Insurance. This reply must be submitted by 07/17/2013, which is within 3 calendar days from the date of this correspondence.

Failure to provide a full or complete response may result in the imposition of a \$500 fine under Colorado Insurance Regulation 1-1-8 and applicable surcharge pursuant to §24-34-108(2), C.R.S. This surcharge will be used to fund the development, implementation and maintenance of a consumer outreach and education program. Pursuant to Section 6 of Colorado Insurance Regulation 1-1-8, and after notice and hearing, additional sanctions may be sought under C.R.S. 10-1-215 and other fining and penalty provisions of Title 10.

Sincerely,

Michael Muldoon

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

Product Name: PPACA Dental Filing

Project Name/Number: /

# **Objection Letter**

Objection Letter Status Pending Industry Response

Objection Letter Date 07/10/2013
Submitted Date 07/10/2013
Respond By Date 07/17/2013

Dear Daniel Boivin,

#### Introduction:

This filing has been received, but before further action can be taken, please address the following:

### Objection 1

Comments: Please provide all rating factors used to develop the rates on the rate / rule schedule. The only information provided is the dollar amounts by age and plan.

## Objection 2

- Actuarial Memorandum Dental 1000 1500 2000 (Supporting Document)
- Actuarial Memorandum Child Dental 1 2 (Supporting Document)

Comments: Regulation 4-2-11 Section 6 (P) Please provide the following information: Benefits Ratio Projections: The memorandum must contain a section projecting the benefits ratio, over the rating period, with the requested rate change. The comparison should be shown in chart form; with projected premiums, projected incurred claims and projected benefits ratio over the rating period, with the requested rate change. The corresponding projection calculations should also be included.

## Objection 3

- Confidentiality Request (Supporting Document)

Comments: Exhibits that are to be marked as confidential will need to be attached as separate documents. The documents titled rate tables dental can not be located in the rate filing. Please attach at this time.

### Conclusion:

Colorado Insurance Regulation 1-1-8 requires that every person shall provide a complete response in writing to any inquiry from the Division of Insurance. This reply must be submitted by 07/17/2013, which is within 7 calendar days from the date of this correspondence. If additional time is required to provide a complete response, including any documentation which is requested, a request for an extension of time must be submitted by 07/17/2013.

The request for an extension of time must state the reason for such request and the number of additional days required to provide a complete response. Requests for additional time will be granted for good cause shown and for a reasonable period at the discretion of the Division. Requests for an extension of time must be submitted through SERFF.

Failure to provide a full or complete response, or to request an extension for a specified period, will result in the rate filing being DISAPPROVED on the basis that the rate filing is incomplete, pursuant to §10-16-107(1.6)(a)(V), C.R.S. Proposed rates may not be used in any manner until an adequate response to this objection has been received and the above referenced rate filing has been approved by the Division.

Sincerely,

Nichole Boggess

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

Product Name: PPACA Dental Filing

Project Name/Number: /

# **Objection Letter**

Objection Letter Status Pending Industry Response

Objection Letter Date 06/26/2013
Submitted Date 06/26/2013
Respond By Date 07/10/2013

Dear Daniel Boivin,

#### Introduction:

This filing has been received, but before further action can be taken, please address the following:

### Objection 1

Comments: Please provide all rating factors on the rate / rule schedule.

## Objection 2

Comments: Please provide the Vaughn index for the confidentiality exhibits. Also please provide an explanation for why all attached documents are marked as confidential.

## **Objection 3**

- Actuarial Memorandum Dental 1000 1500 2000 (Supporting Document)

Comments: Regulation 4-2-11 Section 6 (A) (6): Please provide the following information: Policy/Rider form: A listing of all policy/rider forms impacted by the filing (for standardized Medicare supplement, the plans should be identified).

## Objection 4

- Actuarial Memorandum Dental 1000 1500 2000 (Supporting Document)

Comments: Regulation 4-2-11 Section 6 (A) (7): Please provide the following information: Age basis: A statement as to whether the premiums will be charged on an issue age, attained age, renewal age or other basis and the issue age range of the form should be specified.

### **Objection 5**

- Actuarial Memorandum Dental 1000 1500 2000 (Supporting Document)

Comments: Regulation 4-2-11 Section 6 (C): Rating Period: At a minimum, the proposed implementation date of the rates must be provided. If the length of the rating period is not clearly identified, it will be assumed to be for twelve months, starting from the proposed implementation date.

## Objection 6

- Actuarial Memorandum Dental 1000 1500 2000 (Supporting Document)

Comments: Regulation 4-2-11 Section 6 (H): Please provide an explanation for the relation of benefits to premium as the percentages listed reflect a total of 34.5% and not 30%.

### Objection 7

- Actuarial Memorandum Dental 1000 1500 2000 (Supporting Document)

Comments: Regulation 4-2-11 Section 6 (L): Please provide the following information: Trend: This section must describe the trend assumptions used in pricing. These assumptions must each be separately discussed, adequately supported, and also be appropriate for the specific line of business, product design, benefit configuration, and time period. Any and all factors affecting the projection of future claims must be presented and adequately supported.

1. Up to the four most recent years of monthly experience used to evaluate historical trends should be provided if available. This experience may be data for the plan being rated, or may include data from other Colorado or National business for similar lines of business, product designs, or benefit configurations.

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

Product Name: PPACA Dental Filing

Project Name/Number: /

2. The loss data for a health benefit plan or an applicable plan that pays on an expense basis must be on an incurred basis with pharmacy data shown separately from medical data, and showing separately the accrued and unaccrued portions of the liability and reserve (e.g., case, bulk and incurred but not reported (IBNR) reserves) as of the valuation date. The plan should indicate the number of paid claim months of run out used beyond the end of the incurred claims period.

- 3. The claims experience for a health benefit plan or an applicable plan that pays on an expense basis should include the following separate data elements for each month: actual medical (non-pharmacy) paid on incurred claims, total medical incurred claims including estimated IBNR claims, actual pharmacy paid on incurred claims, total pharmacy incurred claims including estimated IBNR claims, average covered lives for medical, and average covered lives for pharmacy.
- 4. The health benefit plan or an applicable plan that pays on an expense basis should also show these data elements aggregated by 12-month annual periods, with yearly per member per months (pmpms) and year over year pmpm trends separately for medical and pharmacy. The plan should also show the annual experience pmpms and trends normalized for changes in demographics, benefit changes, and other factors impacting the true underlying trends.
- 5. The trend assumptions by major service category shall be, if practical, separately quantified into two categories, medical and insurance, as defined below:
- a. Medical trend is the combined effect of medical provider price increases, utilization changes, medical cost shifting, and new medical procedures and technology.
- b. Insurance trend is the combined effect of underwriting wearoff, deductible leveraging, and antiselection resulting from rate increases and discontinuance of new sales. Note: medical trend must be determined or assumed before insurance trend can be determined. Underwriting wearoff means the gradual increase from initial low expected claims that result from underwriting selection to higher expected claims for later (ultimate) durations. Underwriting wearoff does not apply to guaranteed issue products.

Major service categories are Hospital Inpatient, Outpatient, Physician, Pharmacy, Other.

## **Objection 8**

- Actuarial Memorandum Dental 1000 1500 2000 (Supporting Document)

Comments: Regulation 4-2-11 Section 6 (M): Please provide the following information: Credibility: The Colorado standard for fully credible data is 2,000 life years and 2,000 claims. Both standards must be met within a maximum of three years, if the proposed rates are based on claims experience.

- 1. The memorandum shall discuss the credibility of the Colorado data with the proposed rates based upon as much Colorado data as possible. Collateral data used to support partially credible Colorado data, including published data sources (including affiliated carriers) must be provided and applicability of the use of such data must be discussed. The use of collateral data is only acceptable if the Colorado data does not meet the full credibility standard. The formula for determining the amount of credibility to assign to the data is SQRT {(# life years or claims)/full credibility standard}. The full credibility standard is defined above. Colorado data must still be provided.
- 2. The memorandum shall also discuss how and if the aggregated data meets the Colorado credibility requirement. Any filing, which bases its conclusions on partially credible data, should include a discussion as to how the rating methodology was modified for the partially credible data.

### Objection 9

- Actuarial Memorandum Dental 1000 1500 2000 (Supporting Document)

Comments: Regulation 4-2-11 Section 6 (N): Please provide the following information: Data Requirements: The memorandum must, at a minimum, include earned premium, incurred claims, actual benefits ratio, number of claims, average covered lives and number of policyholders submitted on a Colorado-only basis for at least 3 years.

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

Product Name: PPACA Dental Filing

Project Name/Number: /

1. Pharmacy claims data for health benefit plans or an applicable plan that pays on an expense basis should also be shown separately for incurred claims, actual benefits ratio, number of claims, average covered lives and number of policyholders.

- 2. National or other relevant data shall also be provided in order to support the rates, if the Colorado data is not fully credible. Any rate filing involving an existing product is required to provide this information. This includes, but is not limited to: changes in rates; rating factors; rating methodology; trend; new benefit options; or new plan designs for an existing product.
- 3. If the filing is to introduce a new product to Colorado, nationwide experience must be provided for this product, if available. If no experience for the new product is available, experience for a comparable product must be provided, if available.
- 4. Rates must be supported by the most recent data available, with as much weight as possible placed upon the Colorado experience.
- a. For Renewal filings the experience period must include consecutive data no older than nine months prior to the rate effective implementation date.
- b. For new business filings the experience period must include consecutive data no older than nine months prior to the effective implementation date.

The loss data must be on an incurred basis, including both separately and combined accrued and unaccrued portions of the liability and reserve (e.g., case, bulk and IBNR reserves) as of the valuation date. Premiums and/or exposure data must be stated on both an actual and on-rate-level basis. Capitation payments should be considered as claim or loss payments. The carrier should also provide information about how the number of claims was calculated.

## Objection 10

- Actuarial Memorandum Dental 1000 1500 2000 (Supporting Document)

Comments: Regulation 4-2-11 Section 6 (P) Please provide the following information: Benefits Ratio Projections: The memorandum must contain a section projecting the benefits ratio, over the rating period, with the requested rate change. The comparison should be shown in chart form; with projected premiums, projected incurred claims and projected benefits ratio over the rating period, with the requested rate change. The corresponding projection calculations should also be included.

## Conclusion:

Colorado Insurance Regulation 1-1-8 requires that every person shall provide a complete response in writing to any inquiry from the Division of Insurance. This reply must be submitted by 07/10/2013, which is within 14 calendar days from the date of this correspondence. If additional time is required to provide a complete response, including any documentation which is requested, a request for an extension of time must be submitted by 07/10/2013.

The request for an extension of time must state the reason for such request and the number of additional days required to provide a complete response. Requests for additional time will be granted for good cause shown and for a reasonable period at the discretion of the Division. Requests for an extension of time must be submitted through SERFF.

Failure to provide a full or complete response, or to request an extension for a specified period, will result in the rate filing being DISAPPROVED on the basis that the rate filing is incomplete, pursuant to §10-16-107(1.6)(a)(V), C.R.S. Proposed rates may not be used in any manner until an adequate response to this objection has been received and the above referenced rate filing has been approved by the Division.

Sincerely,

Nichole Boggess

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

**Product Name:** PPACA Dental Filing

Project Name/Number: /

# **Response Letter**

Response Letter Status Submitted to State

Response Letter Date 08/06/2013 Submitted Date 08/06/2013

Dear Nichole Boggess,

#### Introduction:

Per your note to filer dated 8/5/2013, we are disregarding this objection.

Please note that the Act Memo from the Rate/Rule tab.

## Response 1

#### Comments:

The Act Memo has been removed.

## Related Objection 1

Applies To:

- Rate Tables Dental 1000 1500 2000, [] (Rate)

Comments: Please provide a new rate manual for this filing. The manual should list out all plans, the plan IDs, the base rates, any factors that build up the premium (i.e. area or network factors), and the final premium. The Actuarial Memorandum is not a sufficient rate manual.

The formatting should be similar to the manual you posted on 06/15/2013. The issue with that manual is on page two: The three plans (PPACA Dental 2000 75099C00320001, PPACA Dental 1500 75099C00330001, and PPACA Dental 1000 75099C00290001) are not distinguished by regions. There should be rating area factors for areas 1 through 11. All of the information on the manual should be clear to consumers and match to the rate data template submitted in the binder filing.

# Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

Product Name: PPACA Dental Filing

Project Name/Number: /

tem No.	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments	Date Submitted
1	Rate Tables Dental 1000 1500 2000		New			08/06/2013 By: Lenita Gullman
Previous Vers	ion					
1	Rate Tables Dental 1000 1500 2000		New		PPACA Dental 1000 1500 2000_CO Group Wrap Pediatric EHB act memo - (7-31- 2013).pdf,	07/31/2013 By: Lenita Gullman
Previous Vers	ion					
1	Rate Tables Dental 1000 1500 2000		New		PPACA Dental 1000 1500 2000_CO Group Wrap Pediatric EHB act memo - (6-12- 2013).pdf,	06/15/2013 By: Lenita Gullman

## Conclusion:

If you have any questions, or need any additional information, please let us know. Thank you.

Sincerely,

Lenita Gullman

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

Product Name: PPACA Dental Filing

Project Name/Number: /

# **Response Letter**

Response Letter Status Submitted to State

Response Letter Date 07/31/2013 Submitted Date 07/31/2013

Dear Nichole Boggess,

#### Introduction:

In response to your Objection Letter, please see below.

### Response 1

#### Comments:

Please see attached documents which have been revised.

## Related Objection 1

Applies To:

- Rate Summary, [] (Rate)

Comments: For each plan, you need to have all rates reflected in your Plans and Benefits template, Rate Data template, and rate manual. Because you offer plans both with and without orthodontics in your rate manual, you need to show those as separate plans in your Plans and Benefits template and Rate Data template. Because of SERFF limitations, you cannot add plans to a binder that has already been created. This is going to require that you submit a new binder with a Plans and Benefits template and Rate Data template that shows all of the possible combinations of plans, with and without orthodontics. According to what we see in your rate manual, your templates should show 8 plans: it should include your plans 75099C00320001, 75099C00330001 and 75099C00290001, both with and without orthodontics, and plans 75099C00310001 and 75099C00300001.

Per my conversation with Ty there will be 9 plans added to the new PBT,RDT, and rate manual

# Changed Items:

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

Product Name: PPACA Dental Filing

Project Name/Number: /

<b>Supporting Document Se</b>	chedule Item Changes	
Satisfied - Item:	Actuarial Memorandum Dental 1000 1500 2000	
Comments:	Please see attached revised Actuarial Memorandum together with supporting experience data.	
Attachment(s):	PPACA Dental 1000 1500 2000_CO Group Wrap Pediatric EHB act memo - (7-31-2013).pdf	
	SeeChange - Plan Designs and Rates (Colorado) - (7-31-2013) rev - CO DOI.xlsx	
Previous Version		
Satisfied - Item:	Actuarial Memorandum Dental 1000 1500 2000	
Comments:	Please see attached revised Actuarial Memorandum.	
Attachment(s):	PPACA Dental 1000 1500 2000_CO Group Wrap Pediatric EHB act memo - (6-28-2013).pdf	
Previous Version		
Satisfied - Item:	Actuarial Memorandum Dental 1000 1500 2000	
Comments:	Please see attached Actuarial Memorandum.	
Attachment(s):	PPACA Dental 1000 1500 2000_CO Group Wrap Pediatric EHB act memo - (6-12-2013).pdf	

No Form Schedule items changed.

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

Product Name: PPACA Dental Filing

Project Name/Number: /

Item No.	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments	Date Submitted
1	Rate Tables Dental 1000 1500 2000		New		PPACA Dental 1000 1500 2000_CO Group Wrap Pediatric EHB act memo - (7-31- 2013).pdf,	07/31/2013 By: Lenita Gullman
Previous Vers	ion					
1	Rate Tables Dental 1000 1500 2000		New		PPACA Dental 1000 1500 2000_CO Group Wrap Pediatric EHB act memo - (6-12- 2013).pdf,	06/15/2013 By: Lenita Gullman
2	Rate Manual		New		SeeChange - Plan Designs and Rates (Colorado) - (7-31- 2013) rev - CO DOI.xlsx,	07/31/2013 By: Lenita Gullman

# Conclusion:

A new binder is being created and is expected to be completed by midnight tonite.

If you have any questions, or need any additional information, please let us know. Thank you.

Sincerely,

Lenita Gullman

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

**Product Name:** PPACA Dental Filing

Project Name/Number: /

# **Response Letter**

Response Letter Status Submitted to State

Response Letter Date 07/30/2013 Submitted Date 07/30/2013

Dear Nichole Boggess,

#### Introduction:

In response to the Objection Letter dated 7/30/2013, please see below.

## Response 1

#### Comments:

Attached is a copy of our response to the Objection dated July 10, which includes the rate buildups. Combined with the rate template adjustments/corrections which were uploaded into the binder SHIC-CO14-125002908 yesterday, July 29, we believe your questions are answered.

## Related Objection 1

Applies To:

- Rate Tables Dental 1000 1500 2000, [] (Rate)
- Rate Tables Dental Child Plan 1 2, [] (Rate)

Comments: Please provide the buildup for all PPO plans both child and adult rates what you have done in Exhibit 1 for LOW MAC Child plan, so we are able to match what you have in the rating manual to the rate data template.

# Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response to Objection Letter dated 7_29_2013
Comments:	Please see attached letter.
Attachment(s):	CO DOI Response (7-11-2013).pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

## Conclusion:

If you have any questions or need any additional information, please let me know. Thank you.

Sincerely,

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

Product Name: PPACA Dental Filing

Project Name/Number: /

Lenita Gullman

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

Product Name: PPACA Dental Filing

Project Name/Number: /

# **Response Letter**

Response Letter Status Submitted to State

Response Letter Date 07/29/2013 Submitted Date 07/29/2013

Dear Nichole Boggess,

## Introduction:

In response to your Objection Letter, please see below:

## Response 1

### Comments:

A corrected Rate Data Template has been uploaded in to Binder SHIC-CO14-125002908

## Related Objection 1

Applies To:

- Response to Objection Letter dated 7/10/2013 (Supporting Document)

Comments: The rating factors that you have shown in this exhibit does not match accordingly to the 'Rate Data' Template for a Primary Subscriber with children or Couples with Children. An example of this is Plan 290001, rating area 1, a couple with 1 child in the supporting documents exhibit has the correct price of \$96.91 found from the two adult rates plus 1 child rate (34.47+34.47+27.97), but when looking at the Rate Data Template the rate is \$98.54. These errors of not matching occur in every Primary Subscriber with children or Couples with Children. Please update the Rate Data Template to show the correct price that is listed out in the Rating Manual exhibit that you submitted.

## Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

## Conclusion:

If you have any questions, or need any additional information, please let me know.

Sincerely,

Lenita Gullman

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

**Product Name:** PPACA Dental Filing

Project Name/Number: /

# **Response Letter**

Response Letter Status Submitted to State

Response Letter Date 07/17/2013 Submitted Date 07/17/2013

Dear Nichole Boggess,

#### Introduction:

In response to your Objection Letter, please see below.

### Response 1

#### Comments:

Please see the attached spreadsheet from the Supporting Documents Tab.

## Related Objection 1

Comments: In the section supporting retention levels you state that "The expense assumptions used to develop the premiums are based on the companys actual costs developed from experience with other Group Insurance Forms."

In each product actuarial memorandum please justify each retention component by showing how they were developed from the experience cited above:

Administration 12.5%

Commissions 15%

Premium Tax 4% - please split this out for all taxes separately

Risk Margin 3%

# Changed Items:

Supporting Document Schedule Item Changes		
Satisfied - Item:	Colorado Administration Breakdown	
Comments:	In response to your Objection Letter dated 7/14/2013, please see the attached spreadsheet	
Attachment(s):	Colorado Administration Breakdown.xlsx	

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

### Conclusion:

 State:
 Colorado
 Filing Company:
 SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

Product Name: PPACA Dental Filing

Project Name/Number:

If you have any questions, or need any additional information, please let us know. Thank you.

Sincerely,

Lenita Gullman

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

Product Name: PPACA Dental Filing

Project Name/Number: /

# **Response Letter**

Response Letter Status Submitted to State

Response Letter Date 07/16/2013 Submitted Date 07/16/2013

Dear Nichole Boggess,

#### Introduction:

In resposne to your objection please see below.

# Response 1

#### Comments:

Please see attached letter and excel workbook.

## Related Objection 1

Comments: Please provide all rating factors used to develop the rates on the rate / rule schedule. The only information provided is the dollar amounts by age and plan.

# Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:  Response to Objection Letter dated 7/10/2013	
Comments:	Please see attached Response to Objection Letter
Attachment(s):	CO DOI Response (7-11-2013).pdf SeeChange - Plan Designs and Rates (Colorado) - Draft (7-12-2013) - CO DOI.xlsx

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

# Response 2

#### Comments:

Please see letter and excel workbook attached to Objection 1..

# Related Objection 2

Applies To:

- Actuarial Memorandum Child Dental 1 2 (Supporting Document)

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

Product Name: PPACA Dental Filing

Project Name/Number: /

- Actuarial Memorandum Dental 1000 1500 2000 (Supporting Document)

Comments: Regulation 4-2-11 Section 6 (P) Please provide the following information: Benefits Ratio Projections: The memorandum must contain a section projecting the benefits ratio, over the rating period, with the requested rate change. The comparison should be shown in chart form; with projected premiums, projected incurred claims and projected benefits ratio over the rating period, with the requested rate change. The corresponding projection calculations should also be included.

# Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

## Response 3

#### Comments:

Rate Tables Dental referred to pages within the PPACA Child Plan 1 2 CO Group Pediatric EHB act memo and the PPACA Dental 1000 1500 2000\_ CO Group Wrap Pediatric EHB act memo, which can be found on the rate/rule schedule and in the supporting document tab.

## **Related Objection 3**

Applies To:

- Confidentiality Request (Supporting Document)

Comments: Exhibits that are to be marked as confidential will need to be attached as separate documents. The documents titled rate tables dental can not be located in the rate filing. Please attach at this time.

# Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

#### Conclusion:

If you have any questions, or need any additional information, please let us know. Thank you.

Sincerely,

Lenita Gullman

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

**Product Name:** PPACA Dental Filing

Project Name/Number: /

# **Response Letter**

Response Letter Status Submitted to State

Response Letter Date 07/09/2013 Submitted Date 07/09/2013

Dear Nichole Boggess,

#### Introduction:

In response to your Objection Letter, please see below.

# Response 1

#### Comments:

As this is a new product, there are no rating factors to report.

## Related Objection 1

Comments: Please provide all rating factors on the rate / rule schedule.

# Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

# Response 2

#### Comments:

Please see the attached Schedule A. Only the noted documents and pages are requested to be Confidential.

# Related Objection 2

Comments: Please provide the Vaughn index for the confidentiality exhibits. Also please provide an explanation for why all attached documents are marked as confidential.

# Changed Items:

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

Product Name: PPACA Dental Filing

Project Name/Number: /

Supporting Document Schedule Item Changes	
Satisfied - Item:	Confidentiality Request
Comments:	Please see
Attachment(s):	Schedule A Confidentiality Request - Dental.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

## Response 3

## Comments:

Please see revised Actuarial Memorandum and Response Letter from Actuary. These documents apply to Objections 3-10.

## **Related Objection 3**

Applies To:

- Actuarial Memorandum Dental 1000 1500 2000 (Supporting Document)

Comments: Regulation 4-2-11 Section 6 (A) (6): Please provide the following information: Policy/Rider form: A listing of all policy/rider forms impacted by the filing (for standardized Medicare supplement, the plans should be identified).

## Changed Items:

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

Product Name: PPACA Dental Filing

Project Name/Number: /

Supporting Document Schedule Item Changes		
Satisfied - Item:	Actuarial Memorandum Dental 1000 1500 2000	
Comments:	Please see attached revised Actuarial Memorandum.	
Attachment(s):	PPACA Dental 1000 1500 2000_CO Group Wrap Pediatric EHB act memo - (6-28-2013).pdf	
Previous Version		
Satisfied - Item:	Actuarial Memorandum Dental 1000 1500 2000	
Comments:	Please see attached Actuarial Memorandum.	
Attachment(s):	PPACA Dental 1000 1500 2000_CO Group Wrap Pediatric EHB act memo - (6-12-2013).pdf	
Satisfied - Item:	Response Letter to Objection	
Comments:	Please see attached letter from Actuary together with Exhibit 1.	
Attachment(s):	CO DOI Response (6-28-2013).pdf	
Attaomioni(3).	AggregateStudy0513 - client.xlsx	

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

Product Name: PPACA Dental Filing

Project Name/Number: /

Supporting Document S	Supporting Document Schedule Item Changes					
Satisfied - Item:	Actuarial Memorandum Dental 1000 1500 2000					
Comments:	Please see attached revised Actuarial Memorandum.					
Attachment(s):	PPACA Dental 1000 1500 2000_CO Group Wrap Pediatric EHB act memo - (6-28-2013).pdf					
Previous Version						
Satisfied - Item:	Actuarial Memorandum Dental 1000 1500 2000					
Comments:	Please see attached Actuarial Memorandum.					
Attachment(s):	PPACA Dental 1000 1500 2000_CO Group Wrap Pediatric EHB act memo - (6-12-2013).pdf					
Satisfied - Item:	Response Letter to Objection					
Comments:	Please see attached letter from Actuary together with Exhibit 1.					

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

### Response 4

Attachment(s):

### Comments:

Please see revised Actuarial Memorandum and Response Letter from Actuary attached to Response 3. These documents apply to Objections 3-10.

### Related Objection 4

Applies To:

- Actuarial Memorandum Dental 1000 1500 2000 (Supporting Document)

CO DOI Response (6-28-2013).pdf

AggregateStudy0513 - client.xlsx

Comments: Regulation 4-2-11 Section 6 (A) (7): Please provide the following information: Age basis: A statement as to whether the premiums will be charged on an issue age, attained age, renewal age or other basis and the issue age range of the form should be specified.

### Changed Items:

No Supporting Documents changed.

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

Product Name: PPACA Dental Filing

Project Name/Number: /

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

### Response 5

### Comments:

Please see revised Actuarial Memorandum and Response Letter from Actuary attached to Response 3. These documents apply to Objections 3-10.

### Related Objection 5

Applies To:

- Actuarial Memorandum Dental 1000 1500 2000 (Supporting Document)

Comments: Regulation 4-2-11 Section 6 (C): Rating Period: At a minimum, the proposed implementation date of the rates must be provided. If the length of the rating period is not clearly identified, it will be assumed to be for twelve months, starting from the proposed implementation date.

### Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

### Response 6

### Comments:

Please see revised Actuarial Memorandum and Response Letter from Actuary attached to Response 3. These documents apply to Objections 3-10.

# Related Objection 6

Applies To:

- Actuarial Memorandum Dental 1000 1500 2000 (Supporting Document)

Comments: Regulation 4-2-11 Section 6 (H): Please provide an explanation for the relation of benefits to premium as the percentages listed reflect a total of 34.5% and not 30%.

### Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

**Product Name:** PPACA Dental Filing

Project Name/Number: /

### Response 7

### Comments:

Please see revised Actuarial Memorandum and Response Letter from Actuary attached to Response 3. These documents apply to Objections 3-10.

### Related Objection 7

Applies To:

- Actuarial Memorandum Dental 1000 1500 2000 (Supporting Document)

Comments: Regulation 4-2-11 Section 6 (L): Please provide the following information: Trend: This section must describe the trend assumptions used in pricing. These assumptions must each be separately discussed, adequately supported, and also be appropriate for the specific line of business, product design, benefit configuration, and time period. Any and all factors affecting the projection of future claims must be presented and adequately supported.

- 1. Up to the four most recent years of monthly experience used to evaluate historical trends should be provided if available. This experience may be data for the plan being rated, or may include data from other Colorado or National business for similar lines of business, product designs, or benefit configurations.
- 2. The loss data for a health benefit plan or an applicable plan that pays on an expense basis must be on an incurred basis with pharmacy data shown separately from medical data, and showing separately the accrued and unaccrued portions of the liability and reserve (e.g., case, bulk and incurred but not reported (IBNR) reserves) as of the valuation date. The plan should indicate the number of paid claim months of run out used beyond the end of the incurred claims period.
- 3. The claims experience for a health benefit plan or an applicable plan that pays on an expense basis should include the following separate data elements for each month: actual medical (non-pharmacy) paid on incurred claims, total medical incurred claims including estimated IBNR claims, actual pharmacy paid on incurred claims, total pharmacy incurred claims including estimated IBNR claims, average covered lives for medical, and average covered lives for pharmacy.
- 4. The health benefit plan or an applicable plan that pays on an expense basis should also show these data elements aggregated by 12-month annual periods, with yearly per member per months (pmpms) and year over year pmpm trends separately for medical and pharmacy. The plan should also show the annual experience pmpms and trends normalized for changes in demographics, benefit changes, and other factors impacting the true underlying trends.
- 5. The trend assumptions by major service category shall be, if practical, separately quantified into two categories, medical and insurance, as defined below:
- a. Medical trend is the combined effect of medical provider price increases, utilization changes, medical cost shifting, and new medical procedures and technology.
- b. Insurance trend is the combined effect of underwriting wearoff, deductible leveraging, and antiselection resulting from rate increases and discontinuance of new sales. Note: medical trend must be determined or assumed before insurance trend can be determined. Underwriting wearoff means the gradual increase from initial low expected claims that result from underwriting selection to higher expected claims for later (ultimate) durations. Underwriting wearoff does not apply to guaranteed issue products.

Major service categories are Hospital Inpatient, Outpatient, Physician, Pharmacy, Other.

### Changed Items:

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

**Product Name:** PPACA Dental Filing

Project Name/Number: /

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

### Response 8

### Comments:

Please see revised Actuarial Memorandum and Response Letter from Actuary attached to Response 3. These documents apply to Objections 3-10.

### Related Objection 8

Applies To:

- Actuarial Memorandum Dental 1000 1500 2000 (Supporting Document)

Comments: Regulation 4-2-11 Section 6 (M): Please provide the following information: Credibility: The Colorado standard for fully credible data is 2,000 life years and 2,000 claims. Both standards must be met within a maximum of three years, if the proposed rates are based on claims experience.

- 1. The memorandum shall discuss the credibility of the Colorado data with the proposed rates based upon as much Colorado data as possible. Collateral data used to support partially credible Colorado data, including published data sources (including affiliated carriers) must be provided and applicability of the use of such data must be discussed. The use of collateral data is only acceptable if the Colorado data does not meet the full credibility standard. The formula for determining the amount of credibility to assign to the data is SQRT {(# life years or claims)/full credibility standard}. The full credibility standard is defined above. Colorado data must still be provided.
- 2. The memorandum shall also discuss how and if the aggregated data meets the Colorado credibility requirement. Any filing, which bases its conclusions on partially credible data, should include a discussion as to how the rating methodology was modified for the partially credible data.

### Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

### Response 9

### Comments:

Please see revised Actuarial Memorandum and Response Letter from Actuary attached to Response 3. These documents apply to Objections 3-10.

### Related Objection 9

Applies To:

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

Product Name: PPACA Dental Filing

Project Name/Number: /

- Actuarial Memorandum Dental 1000 1500 2000 (Supporting Document)

Comments: Regulation 4-2-11 Section 6 (N): Please provide the following information: Data Requirements: The memorandum must, at a minimum, include earned premium, incurred claims, actual benefits ratio, number of claims, average covered lives and number of policyholders submitted on a Colorado-only basis for at least 3 years.

- 1. Pharmacy claims data for health benefit plans or an applicable plan that pays on an expense basis should also be shown separately for incurred claims, actual benefits ratio, number of claims, average covered lives and number of policyholders.
- 2. National or other relevant data shall also be provided in order to support the rates, if the Colorado data is not fully credible. Any rate filing involving an existing product is required to provide this information. This includes, but is not limited to: changes in rates; rating factors; rating methodology; trend; new benefit options; or new plan designs for an existing product.
- 3. If the filing is to introduce a new product to Colorado, nationwide experience must be provided for this product, if available. If no experience for the new product is available, experience for a comparable product must be provided, if available.
- 4. Rates must be supported by the most recent data available, with as much weight as possible placed upon the Colorado experience.
- a. For Renewal filings the experience period must include consecutive data no older than nine months prior to the rate effective implementation date.
- b. For new business filings the experience period must include consecutive data no older than nine months prior to the effective implementation date.

The loss data must be on an incurred basis, including both separately and combined accrued and unaccrued portions of the liability and reserve (e.g., case, bulk and IBNR reserves) as of the valuation date. Premiums and/or exposure data must be stated on both an actual and on-rate-level basis. Capitation payments should be considered as claim or loss payments. The carrier should also provide information about how the number of claims was calculated.

### Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

### Response 10

### Comments:

Please see revised Actuarial Memorandum and Response Letter from Actuary attached to Response 3. These documents apply to Objections 3-10.

## Related Objection 10

Applies To:

- Actuarial Memorandum Dental 1000 1500 2000 (Supporting Document)

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

**Product Name:** PPACA Dental Filing

Project Name/Number: /

Comments: Regulation 4-2-11 Section 6 (P) Please provide the following information: Benefits Ratio Projections: The memorandum must contain a section projecting the benefits ratio, over the rating period, with the requested rate change. The comparison should be shown in chart form; with projected premiums, projected incurred claims and projected benefits ratio over the rating period, with the requested rate change. The corresponding projection calculations should also be included.

### Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

### Conclusion:

If you have any questions or need any additional information, please do not hesitate to contact us. Thank you.

Sincerely,

Lenita Gullman

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

Product Name: PPACA Dental Filing

Project Name/Number: /

# **Note To Filer**

Created By:

Amy Filler on 08/05/2013 04:18 PM

Last Edited By:

Amy Filler

**Submitted On:** 

08/05/2013 04:18 PM

Subject:

**Disregard Objection** 

**Comments:** 

Please, disregard the objection posted on 8/5/2013,

The document: "SeeChange - Plan Designs and Rates (Colorado) - (7-31-2013) rev - CO DOI.xlsx" is a sufficient manual. However, please remove the Act Memo from the Rate/Rule tab.

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

Product Name: PPACA Dental Filing

Project Name/Number: /

# **Note To Reviewer**

Created By:

Lenita Gullman on 07/18/2013 06:00 PM

Last Edited By:

Nichole Boggess

**Submitted On:** 

08/02/2013 10:08 AM

Subject:

Confidentiality Request

**Comments:** 

The Actuarial Memorandum should not be marked confidential. If you have any questions, or need any additional information, please let us know. Thank you.

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

Product Name: PPACA Dental Filing

Project Name/Number: /

# **Form Schedule**

Lead Form Number: CO-L-PPACA Child Plan 20140101								
ltem	Schedule Item	Form	Form	Form	Form	Action Specific	Readability	
No.	Status	Name	Number	Туре	Action	Data	Score	Attachments
1		Evidence of Coverage		CER	Initial			
2		Summary of Benefits & Coverage (English)		OUT	Initial			
3		Summary of Benefits & Coverage (Spanish)		OUT	Initial			
4		Letter of Authority		ОТН	Initial			
5		Certificate of Compliance		CER	Initial			
6		PPACA Uniform Compliance Summary		ОТН	Initial			

Form Type Legend:

Form 1y	pe Legend:		
ADV	Advertising	AEF	Application/Enrollment Form
CER	Certificate	CERA	Certificate Amendment, Insert Page, Endorsement or Rider
DDP	Data/Declaration Pages	FND	Funding Agreement (Annuity, Individual and Group)
MTX	Matrix	NOC	Notice of Coverage
отн	Other	OUT	Outline of Coverage
PJK	Policy Jacket	POL	Policy/Contract/Fraternal Certificate
POLA	Policy/Contract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider	SCH	Schedule Pages

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

**Product Name:** PPACA Dental Filing

Project Name/Number: /

# **Rate Information**

Rate data applies to filing.

Filing Method:

Rate Change Type: %

Overall Percentage of Last Rate Revision: %

**Effective Date of Last Rate Revision:** 

Filing Method of Last Filing:

**Company Rate Information** 

			•				
	Overall %	Overall %	Written Premium	# of Policy	Written	Maximum %	Minimum %
Company	Indicated	Rate	Change for	<b>Holders Affected</b>	Premium for	Change	Change
Name:	Change:	Impact:	this Program:	for this Program:	this Program:	(where req'd):	(where req'd):
SeeChange Health	0.000%	0.000%	\$0	0	\$0	0.000%	0.000%
Insurance Company, Inc.							

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

Product Name: PPACA Dental Filing

Project Name/Number: /

# Rate/Rule Schedule

lte Ne	ο.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1			Rate Manual		New		SeeChange - Plan Designs and Rates (Colorado) - (7-31- 2013) rev - CO
							DOI.xlsx,

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

Product Name: PPACA Dental Filing

Project Name/Number: /

Attachment SeeChange - Plan Designs and Rates (Colorado) - (7-31-2013) rev - CO DOI.xlsx is not a PDF document and cannot be reproduced here.

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

Product Name: PPACA Dental Filing

Project Name/Number: /

# **Supporting Document Schedules**

Satisfied - Item:	HR-1 Form (H)
Comments:	Please see attached file.
Attachment(s):	Health Rate Filing Form - HR-1.pdf
Item Status:	·
Status Date:	
Satisfied - Item:	EHB Apportionment Certification
Comments:	Please see attached file.
Attachment(s):	EHB Allocation Document (06-14-2013).pdf
Item Status:	
Status Date:	
Satisfied - Item:	Actuarial Certification
Comments:	Please see attached file
Attachment(s):	Actuarial Value Form (06-14-2013).pdf
Item Status:	
Status Date:	
Satisfied - Item:	Actuarial Memorandum Dental 1000 1500 2000
Comments:	Please see attached revised Actuarial Memorandum together with supporting experience data.
Attachment(s):	PPACA Dental 1000 1500 2000_CO Group Wrap Pediatric EHB act memo - (7-31-2013).pdf SeeChange - Plan Designs and Rates (Colorado) - (7-31-2013) rev - CO DOI.xlsx
Item Status:	
Status Date:	
Satisfied - Item:	Actuarial Memorandum Child Dental 1 2
Comments:	Please see attached Actuarial Memorandum
Attachment(s):	PPACA Child Plan 1_2_CO Group Pediatric EHB act memo - (6-12-2013).pdf
Item Status:	

SERFF Tracking #: SHIC-129076988 State Tracking #: Company Tracking #: 279017 Filing Company: SeeChange Health Insurance Company, Inc. State: Colorado TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental Product Name: PPACA Dental Filing Project Name/Number: **Status Date:** Satisfied - Item: Response Letter to Objection Comments: Please see attached letter from Actuary together with Exhibit 1. CO DOI Response (6-28-2013).pdf Attachment(s): AggregateStudy0513 - client.xlsx **Item Status:** Status Date: Satisfied - Item: Confidentiality Request Comments: Please see Attachment(s): Schedule A Confidentiality Request - Dental.pdf **Item Status: Status Date:** Satisfied - Item: Response to Objection Letter dated 7/10/2013 Comments: Please see attached Response to Objection Letter CO DOI Response (7-11-2013).pdf Attachment(s): SeeChange - Plan Designs and Rates (Colorado) - Draft (7-12-2013) - CO DOI.xlsx Item Status: **Status Date:** Satisfied - Item: Colorado Administration Breakdown Comments: In response to your Objection Letter dated 7/14/2013, please see the attached spreadsheet Attachment(s): Colorado Administration Breakdown.xlsx Item Status: Status Date: Satisfied - Item: Response to Objection Letter dated 7\_29\_2013 Comments: Please see attached letter. Attachment(s): CO DOI Response (7-11-2013).pdf

SERFF Tracking #:	SHIC-129076988	State Tracking #:	279017	(	Company Tracking #:	
State:	Colorado			Filing Company:	SeeChange Health Insurance Company, Inc.	
TOI/Sub-TOI:	H10G Group Hea	alth - Dental/H10G.000 Hea	alth - Dental			
Product Name:	PPACA Dental Fi	iling				
Project Name/Number:	/					
Item Status:						
Status Date:						

State: Colorado Filing Company: SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

**Product Name:** PPACA Dental Filing

Project Name/Number: /

Attachment SeeChange - Plan Designs and Rates (Colorado) - (7-31-2013) rev - CO DOLxIsx is not a PDF document and cannot be reproduced here.

Attachment AggregateStudy0513 - client.xlsx is not a PDF document and cannot be reproduced here.

Attachment SeeChange - Plan Designs and Rates (Colorado) - Draft (7-12-2013) - CO DOLxIsx is not a PDF document and cannot be reproduced here.

Attachment Colorado Administration Breakdown.xlsx is not a PDF document and cannot be reproduced here.

# **State Of Colorado**

# **<u>Health</u>** Rate Filing Form

**Reset Form** 

# Form HR-1

Must Be Completed For All Products SER	RFF FILING # SHIC-129076988
1. Company: SeeChange Health Insurance Company,	Inc.
2. Person Responsible For Filing: Daniel Boivin	3. Title: Chief Legal Officer
4. Address Of Responsible Person: 10159 Wayzata Blv(	5. Telephone #: (763) 582-1260 ext.
6. Email Address: dboivin@seechangehealth.com	
7. <b>Type Of Coverage</b> : Other Other:	
<ul> <li>8. Medicare Supplement: Select One <ul> <li>(1) Prestandardized Plan(s):</li> <li>(2) Standardized Plan(s): A B C D E F</li> <li>(3) 2010 Plans: A B C D F FHD G</li> </ul> </li> </ul>	
9. Sub Category: Small and Large Group	
<ul> <li>10. A. Group Information: Employer Select One</li> <li>B. Name of association or trust (if applicable):</li> <li>C. Description of discretionary group(if applicable):</li> </ul>	Select One Select One
11. Colorado State Code(s): N/A	N/A
Select One Select One	Select One
12. <b>Brief Filing Description</b> (Disability, Major Medical, I Changes.):  Dental filing for 1/1/2014	LTC, Etc. Also Describe All Methodology
13. Reason For Filing:	
Increase In Benefits?	☐ Yes ✓ No
Reduction In Benefits?	☐ Yes ✓ No
Increase in Profits?	Yes No
Change Needed To Meet Projected Losses?	☐ Yes ✓ No
Trend Only?	☐ Yes ✓ No
Change In Rating Methodology?	☐ Yes ✓ No
New Product (Initial Offering As Opposed To Rate Rev	
Other? (If other, please explain)	☐ Yes ✓ No
14. Policy Form(s) Affected: N/A	<u> </u>

15. If Rider Or Endorsement, <b>Type Of Benefits</b> ? N/A						
16. Closed Block(s)? Yes No Date Block Closed:						
17. <b>Number Of Colorado Covered Lives</b> (Including Employees And Dependents): <b>0</b>						
18. A. Rating Period: Annual From 1/1/2014 To B. Experience Period: From To C. Reason for Rate Change: D. Average Change In Rates From One Year Prior To Effective Date:	✓ N/A (New Product)					
19. A. Rate Change Without Trend:  B. Trend for Rating Period (if trend factor is used in rates):  C. Overall Rate Impact Change:						
<ul><li>20. A. Current Underlying Annualized Trend Assumption (If Applicable):</li><li>B. Requested Underlying Annualized Trend Assumption (If Applicable):</li></ul>						
	21. A. What Is The Maximum Rate Change That Can Affect A Policyholder?					
Benefits Ratios (On Colorado only basis)						
<ul> <li>A. Targeted Benefits Ratio over Rating Period (assumed in calculation of rates):</li> <li>B. Actual Benefits Ratio over Experience Period:</li> <li>N/A (New Production)</li> </ul>						
23. A. Projected Benefits Ratio With Rate Change over Rating Period  B. Projected Benefits Ratio Without Rate Change over Rating Period  Colorado/Nationwide Nationwide Basis  (If projected benefits ratios on a Colorado only basis are not available, then ratios developed on a	N/A (New Product)					
blended Colorado/Nationwide or Nationwide basis are acceptable. Please indicate above.)						
24. Proposed Effective Date:						
25. A. Total Annual Colorado Written Premium Before Change(s): \$  B. Total Annual Colorado Written Premium After Change(s): \$  C. Written Premium Change For This Product (Net Change): \$						
26. A. Effective Date of Previous Rate Filing for this Form (including initial filing):  B. Previous SERFF Filing Number(s):  C. Overall Percentage of Last Rate Change for Affected Policy Forms:  □ N/A (New Product)						
27. Experience Provided: Nationwide Colorado Select One Other (specify)	N/A (New Product)					
28. Small Group Filings Only: Unique Single Index Rate (Effective For All Small Group Plans):						

# Stand-Alone Dental Plans - Description of EHB Allocation

EHB Allocation
Please fill in the following information.  HIOS Issuer ID: 75099
Applicable HIOS Plan IDs (Standard Component): 75099CO031-0001, 75055CO030-0001
75099CO029-0001, 75099CO033-0001, 75099CO032
Certification Language:
For the plans listed above, the portion of the premium allocable to the pediatric dental essential health benefit, is  (i) no greater than the total premium for the plan; and  (ii) calculated by a member of the American Academy of Actuaries in accordance with generally accepted actuarial principles and methodologies.
Actuary Signature:
Actuary Printed Name: William J. DeCapua, ASA, MAAA
Date: 06/14/2013
Description of the methods and specific bases used to perform the allocation, and demonstrating that the allocation meets the standards set forth in 45 CFR 156.470(d)):
100% of the benefits listed in the plans listed above are pediatric dental EHBs. There are no other benefits being offered.
Therefore, 100% of the premium for these plans is allocated tp the pediatric dental essential health benefits.
(Description may continue onto additional pages)

# Stand-Alone Dental Plan Actuarial Value Supporting Documentation and Justification

Please fill in the following information.  HIOS Issuer ID: 75099
HIOS Product ID: 75099CO031, 75099CO030, 75099CO029
75099CO033, 75099CO032
Applicable HIOS Plan IDs (Standard Component): 75099C0031-0001, 75099C0030-0001
75099CO029-0001, 75099CO033-0001, 75099CO032-0001
The actuarial value analysis was  (i) conducted by a member of the American Academy of Actuaries; and  (ii) performed in accordance with generally accepted actuarial principles and methodologies;
Actuary Signature: 1999 1999 1999 1999 1999 1999 1999 19
Actuary Printed Name: William J. DeCapua, ASA, MAAA
Date: 06/14/2013

TO A CONTROL OF THE ANALYSIS AND A C

# SeeChange Life Insurance Company, Inc.

# **Group Dental Insurance Policy**

**Actuarial Memorandum** 

Policy Numbers 75099CO0290001, 75099CO0330001, 75099CO0320001, 75099CO320002, 75099CO330002, 75099CO320003, and 75099CO330033 Plan Marketing Name: PPACA Dental [1000, 1500, 2000]

### A. Summary

- 1. Reasons: The purpose of this memorandum is to describe the benefits and assumptions for the attached Group Dental Insurance Policy, and to certify that this Form is in compliance with applicable laws and regulations of the state. This is a new product filing to be used for groups with less than 51 lives that provides coverage for adults and to supplement the pediatric Essential Health Benefits (EHB) under ACA. This memorandum is not intended to be used for any other purpose.
- 2. Requested Rate Action: This is a new product filing with no existing business under this Policy form.
- 3. Marketing Method: This Policy is intended to be distributed to employer groups, and associations through independent agents and brokers
- 4. Premium Classification: The rates and benefits do not vary by age, industry, or any demographic factors other than area.
- 5. Product Description: This Form is designed to provide Dental Insurance benefits for dependents of employees and members of employer groups and associations. After an initial 12 month contract period, the contract is renewable on a month to month basis. The premiums may be paid by the employee, employer, member, association, or any combination.
  - Benefits include coverage for certain of the following types of dental services: preventive, diagnostic, basic, major, and optional orthodontia.
  - There will be a total of 7 plans offered and they are described below. These 7 plans vary by deductible, coinsurance, and annual maximum. There are also frequency limits and age limits for certain procedures, as defined in the Policy. See the Policy for a complete description of covered services by class of service. The pediatric benefits in this policy are supplemental to an underlying "Low" EHB plan (i.e. 70% Actuarial Value) Plan ID (75099CO310001).
    - a. High PPO Plan → \$50 deductible waived for class A services with a maximum of 3 deductibles per family. There is 100% coverage for class A services in-network and 90% coverage for these services when provided by a non-network provider. There is 90% coverage for class B services in-network and 70% coverage for these services when provided by a non-

network provider. There is 60% coverage for class C services in-network and 50% coverage for these services when provided by a non-network provider. Adult and Child Orthodontia or Child only Orthodontia (medically & non-medically necessary) are optionally available with a 50% coverage limit up to a maximum lifetime benefit of \$2,000. The annual maximum under these two plans is \$2,000. See items (b.) and (c.) below for this offering.

- b. Same as item (a.) but with Child only Orthodontia as described in item (a.).
- c. Same as item (a.) but with Adult & Child Orthodontia as described in item (a.)
- d. Mid PPO Plan → \$50 deductible waived for class A services with a maximum of 3 deductibles per family. There is 100% coverage for class A services in-network and 80% coverage for these services when provided by a non-network provider. There is 80% coverage for class B services in-network and 60% coverage for these services when provided by a non-network provider. There is 50% coverage for class C services in-network and 50% coverage for these services when provided by a non-network provider. Adult & Child Orthodontia or Child only Orthodontia (medically & non-medically necessary) are optionally available with a 50% coverage limit up to a maximum lifetime benefit of \$1,500. The annual maximum under these two plans is \$1,500.
- e. Same as item (d.) but with Child only Orthodontia as described in item (d.).
- f. Same as item (d.) but with Adult & Child Orthodontia as described in item (d.).
- c. Low PPO Plan → \$50 deductible waived for class A services with a maximum of 3 deductibles per family. There is 100% coverage for class A services in-network and 80% coverage for these services when provided by a non-network provider. There is 70% coverage for class B services in-network and 50% coverage for these services when provided by a non-network provider. There is 50% coverage for class C services in-network and 50% coverage for these services when provided by a non-network provider. The annual maximum under these two plans is \$1,000.
- 6. Policy/Rider form: The Policy Form Numbers impacted by this filing are 75099C00290001, 75099C00330001, 75099C0320001, 75099C0320002, 75099C0330002, 75099C0320003, and 75099C0330033.
- 7. Age Basis: The premiums under these Policy Form Numbers will be charged on an attained age basis. There are two attained age brackets. Children and Adults, where children are those individuals less than age 19 and adults are those

individuals greater than or equal to age 19. This Policy Form can be issued to all ages.

8. Renewability Provision: This is an Optionally Renewable Policy form for an annually rated group Policy.

### **B.** Assumption or Acquisition

The Policy form included with this rate filing was not part of an assumption or acquisition.

### C. Rating Period

The proposed implementation date of the rates is 1/1/2014, and the length of the rating period will be 12-months starting from the proposed implementation date.

# **D.** Underwriting

This Policy is guaranteed issued. There is no individual underwriting of this Policy.

### E. Effect of Law Changes

This is a new product filing, and as such there are no changes to the rates, expenses, or medical costs under this Policy form due to changes in laws or regulations.

### F. Rate History

There is currently no existing business on this Form, so there is no rate history.

### **G.** Coordination of Benefits

Since this is a new product filing, there is no loss experience net of savings associated with COB or subrogation.

### H. Relation of Benefits to Premium

The State-mandated minimum anticipated benefit ratio for Dental / Vision products is 60%. The target loss ratio for this Form is 70% at all durations. The expense assumptions used to develop the premiums are based on the company's actual costs developed from experience with other Group Insurance Forms.

Retention Elements	
Commissions	15.00%
Premium Taxes (S/F)	4.00%
Risk Margin	3.00%
Administration	8.00%
Total Retention	30.00%

### I. Lifetime Loss Ratio

This is an optionally renewable Policy form for an annually rated Group Policy. Active life reserves, persistency assumptions and interest/discount rates are not applicable with annually renewable group term insurance. The lifetime loss ratio is expected to be equivalent to the target loss ratio of 70% at each Policy duration.

### J. Provision for Profit and Contingencies

This Form includes a risk margin (provision for profit and contingency) of 3.0% of premium as shown in the Retention Elements table above. This is sufficient to meet the Company's return on investment target with respect to its risk based capital requirements. Since this is an annually rated group Policy, investment income from unearned premium reserves and incurred but not reported reserves are not applicable and immaterial, respectively.

### K. Explanation of Proposed Rate Development

As shown in the attached Exhibits, claim costs for these plans are initially calculated separately for each of the categories of dental services (cleanings, exams, fluoride, etc.) separately by adult and child, and by in-network and out-of-network. These initial total charges are calculated by taking the product of the state-wide average charges for each category of service and the average annual utilization rates for each category of service. These average charges are based on the negotiated network fee schedules and/or submitted charges by non-network providers limited to the Company's UCR fee schedule. The average utilization rates have been provided by an actuarial consulting firm, Actuarial Worksite Marketing Services, Inc. (AWMS), and are based on experience data contributed by the firm's dental clients during the period 2010-2012. These resulting initial total charges by category are then combined into classes of service (preventive, basic, major, and orthodontia) by summing up, and are then converted to monthly costs by dividing by 12. resulting base monthly charges are then adjusted for six month's trend, deductibles, coinsurance, and annual maximum to derive the monthly claim costs. adjustments for deductible and annual maximums are based on factors provided by AWMS. These monthly claim costs are then summed into in-network and out-ofnetwork sub-totals, weighted by the assumed network penetration and combined, and finally divided by the target loss ratio to result in the projected monthly premium rates. The attached Exhibits provide documentation for the average statewide rate calculation for each of the 7 Plans. The statewide premiums are then adjusted by a factor for each of the 11 rating regions in Colorado, as described below and provided in spreadsheet format.

### L. Trend

The rates shown in this actuarial memo will be used for effective dates beginning in 2014. An annual trend factor, currently 4%, will be used to derive the premiums rates for effective dates beginning after 2014. This trend factor is currently based on a projected annual increase of 3% in dental prices and 1% in utilization rates. The primary drivers of trend for these dental Policy Forms are utilization and price. The

spreadsheet provided shows approximately 3.5 years of dental experience and includes claims, premium, number of claims, and number of subscribers. From these data elements, as can be seen in the spreadsheet, utilization and price trend are developed and shown to be consistent with an average annual trend factor of 4%. This trend factor is derived only from medical trend components. There is assumed to be no impact on the trend factor from insurance trend. Since the policies are guaranteed issue there is no underwriting wear-off. For dental products the effects of deductible leveraging and annual maximum de-leveraging offset each other with respect to the impact on trend factors. As a new product there is no anticipated antiselection due to discontinuance of new sales.

### M. Credibility

This is a new product filing. There is currently no business in Colorado or nationally. The data discussed in the Trend section, as well as in the Data Requirements section of this memorandum is based on nationwide dental experience from the AWMS client base, and was used for the rate development of these Policy Forms. The underlying experience is provided in the spreadsheet and is considered fully credible by Colorado's standards using either Life Years or Number of Claims. The average number of covered lives and number of claims underlying the experience used in the rate development of this Policy Form is in excess of 200,000 and 700,000 per year of experience, respectively.

# N. Data Requirements

This is a new product filing. There is currently no business in Colorado or nationally. The data discussed in the Trend section, as well as in the Credibility Requirements section of this memorandum is based on nationwide dental experience provided by the AWMS client base, and was used for the rate development of these Policy Forms. The underlying experience is provided in the spreadsheet, and a summary of the detail is provided in table form here.

	Comparable Product - Industrywide Experience (National Experience)								
Calendar	Earned	Incurred	Est. Incurred	Estimated	Loss	Ave. Covered	Ave. Covered	Number of	
Year*	Premium	Claims	Claims	IBNR Claims	Ratio	Lives	Subscribers	Claims	
2010	66,943,978	46,779,958	46,779,958	0	69.9%	191,662	91,268	639,439	
2011	79,497,515	54,739,594	54,739,594	0	68.9%	217,405	103,526	734,805	
2012	81,167,341	54,430,503	54,648,276	217,774	67.3%	214,564	102,173	723,051	
2013*	33,967,876	18,426,335	23,160,209	4,733,873	68.2%	209,238	99,637	298,206	
* 2013 is Ca	lendar Year to	date (1/1/2013	- 5/31/2013)						

### O. Side-by-Side Comparison

Since this is a new product filing, a side-by-side comparison is not applicable.

### P. Benefit Ratio Projections

Since this is an annually rated group insurance Policy form, the lifetime loss ratio is expected to be equivalent to the target loss ratio at each Policy duration. The 70%

lifetime loss ratio is expected to equal the annual target loss ratio of 70% in each policy year. Since this is a new product filing for SeeChange Life Insurance Company, there is no requested rate change. Also, since this is an annually rated group policy the projected benefits ratio is expected to be equal to the pricing target loss ratio over the rating period as well as over subsequent rating periods, assuming trend increases occur over the subsequent rating periods.

### **Q.** Other Factors/Information

### 1. Area Factors

The rates do vary by area according to the 11 rating regions in the state. The actual area factors used were developed by initially calculating a weighted average fee for the entire state for all services. This weighted average was calculated by first using assumed utilization rates for the top 177 procedure codes times the network fee for each procedure to get an average fee for each network fee schedule in use in the state. Each of these average fees was then weighted by the percentage of the state's population assumed to access providers on that fee schedule with the result being an average statewide dental fee. A similar process was then used to calculate an average dental fee for each of the 11 rating regions in the state. The ratios of the average fee for each region to the average fee for the state are the area factors.

Regional Factors					
Region	MAC	PPO			
CO -					
Agg	1.000	1.000			
1	0.966	1.015			
2	1.056	1.050			
3	1.043	1.032			
4	0.889	0.961			
5	0.891	0.891			
6	0.888	0.954			
7	1.014	0.915			
8	0.925	0.882			
9	0.856	0.947			
10	0.892	0.886			
11	0.991	0.995			

### 2. Premium Modalization Rules

This Form can be billed weekly, bi-weekly, monthly, quarterly, semiannually, or annually. Weekly premiums are 1/52 of annual premiums, bi-weekly premiums are 1/26 of annual premiums, and monthly premiums are 1/12 of annual premiums. Quarterly premiums are 1/4 of annual premiums. Semiannual premiums are 1/2 of annual premiums.

### 3. Claim Liability and Reserves

An incurred but not reported claim reserve will be held for this Form. This reserve will be estimated based on the previous 12-months of claim lag data (claims by incurred and paid date).

### **R.** Rating Manuals

The rates for this Policy are based on a rate table that varies by the 11 rating regions within the state, and are separate for adults and children. The statewide average rates are shown here for each of the 7 plans and will be applied to the appropriate regional area factors provided above to arrive at the area specific rates as demonstrated in the provided spreadsheet

Monthly Premium (pmpm)

	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
High Plan ID (75099CO320001)	\$43.81
Child Ortho	\$6.40
Adult Ortho	\$3.26
Mid Plan ID (75099CO330001)	\$38.70
Child Ortho	\$4.98
Adult Ortho	\$2.54
Low Plan ID (75099CO290001)	\$33.97
Child Ortho	n/a
Adult Ortho	n/a

### **Actuarial Certification**

I, William J. DeCapua, am an Associate of the Society of Actuaries, and a Member of the American Academy of Actuaries, and meet the "Qualification Standards of Actuarial Opinion" as adopted by the American Academy of Actuaries. I certify that to the best of my knowledge and judgment, this filing is in compliance with the applicable laws of the State of Colorado and with the rules of the Department of Insurance; and complies with Actuarial Standards of Practice No. 8, "Regulatory Filings for Rates and Financial Projections for Health Plans", as adopted by the Actuarial Standards Board. The premiums are neither excessive, inadequate, nor unfairly discriminatory; and the benefits provided are reasonable in relation to the premiums charged.

Wm J. De Cypua

Consulting Actuary

07/31/2013

Date

					ge Charge						
				l	Plan ID (7509	99CO03200	001)				
In-Net	vork					Out-Of-I	Network				
	OIR	Adult	Adult	Adult	Adult	- Cut Oi i	I CLIFOTK	Adult	Adult	Adult	Adult
Cat		Type Of	Average	Utilization	Total Ann	Cat		Type Of	Average	Utilization	Total Ann
Code	Category of Service	Service	Charge	Per 1000	Cost	Code	Category of Service	Service	Charge	Per 1000	Cost
cl	Cleanings	A	63	901	56.55	cl	Cleanings	Α	86	901	77.81
ex	Exams	A	34	1032	35.12	ex	Exams	A	52	1032	53.41
fl	Fluoride	n/a	26	55	1.43	fl	Fluoride	n/a	35	55	1.90
se	Sealants	n/a	37	0	0.00	se	Sealants	n/a	52	0	0.00
sm	Space Maintainers	n/a	240	0	0.00	sm	Space Maintainers	n/a	317	0	0.00
ep rb	Emergency Pain	B A	64 28	809	0.53 22.65	ep rb	Emergency Pain	B A	98 41	809	0.82 33.54
rf	Radiographs - Bitewings Radiographs - FMX	A	81	153	12.30	rf	Radiographs - Bitewings Radiographs - FMX	A	114	153	17.37
fi	Restorations (Amalgams &	В	110	446	48.98	fi	Restorations (Amalgams &	В	152	446	67.66
cfi	Restorations (Posterior Re	В	145	33	4.85	cfi	Restorations (Posterior Re-	В	196	33	6.57
sie	Simple Extractions	В	127	117	14.86	sie	Simple Extractions	В	146	117	17.05
sue	Surgical Extractions	В	279	32	8.89	sue	Surgical Extractions	В	301	32	9.61
os en	Oral Surgery Endodontics	B B	252 592	2 53	0.44 31.43	os en	Oral Surgery Endodontics	B B	331 821	2 53	0.58 43.63
pm	Periodontal Maintenance	В	94	56	5.29	pm	Periodontal Maintenance	В	132	56	7.44
mip	Non-Surgical Periodontics	В	135	82	11.05	mip	Non-Surgical Periodontics	В	194	82	15.79
map	Surgical Periodontics	В	555	6	3.28	map	Surgical Periodontics	В	753	6	4.45
in	Inlays	С	310	1	0.20	in	Inlays	С	444	1	0.29
on	Onlays	С	708	3	1.80	on	Onlays	С	1022	3	2.60
cr	Crowns	С	574	142	81.47	cr	Crowns	С	805	142	114.35
crr br	Crown Repairs Bridges	C	66 724	12 12	0.80 8.46	crr br	Crown Repairs Bridges	C	92 992	12 12	1.11 11.59
brr	Bridge Repairs	C	90	0	0.46	brr	Bridge Repairs	C	129	0	0.01
de	Dentures	C	946	10	9.34	de	Dentures	C	1291	10	12.74
der	Denture Repairs	C	135	7	0.93	der	Denture Repairs	C	183	7	1.26
an	Anesthesia	В	231	10	2.19	an	Anesthesia	В	246	10	2.34
0	Orthodontic Coverage	D	0	15	0.00	0	Orthodontic Coverage	D	0	15	0.00
	In-Network	Adult	Adult	Adult			Out-Of-Network	Adult	Adult	Adult	
		Total	Total	Total				Total	Total	Total	
-		Annual	Annual	Monthly				Annual	Annual	Monthly	
	Service	CC	Util	CC			Service	CC	Util	CC	
	Class A	126.61	2895	10.55			Class A	182.13	2895	15.18	
	Class B	131.79	844	10.98			Class B	175.94	844	14.66	
	Class C	103.00	186	8.58			Class C	143.94	186	12.00	
	Class D (Ortho) Total	0.00 361.40	15 3940	0.00 30.12			Class D (Ortho) Total	0.00 502.01	15 3940	0.00 41.83	
Calcu	ılation	In-Netw	ork					Out-of-I	Network		
			-Network A						of-Network		
Step		Α	В	С	Ortho			Α	В	С	Ortho
1	Base Monthly Charges	10.551	10.982	8.583	0.000			15.177	14.662	11.995	0.000
2	Trend Adjustment	1.015	1.015	1.015	1.015			1.015	1.015	1.015	1.015
3	Sub-Total 1	10.709	11.147	8.712	0.000			15.405	14.881	12.175	0.000
4	Deductible Adjustment +/	0.000	-1.210	-0.470	0.000			0.000	-1.210	-0.470 11.705	0.000
5 6	Sub-Total 2 Plan Max Adjustment	1.000	9.937 1.000	8.242 1.450	0.000 1.800			15.405	13.671	11.705 1.450	0.000 1.800
7	Coinsurance Adjustment	1.000	0.900	0.600	0.500	-		0.900	0.700	0.500	0.500
8	Sub-Total 3	10.709	8.943	7.170	0.000			13.864	9.570	8.486	0.000
		In-Netwo	ork					Out-of-Net	work		
		Adult	-					Adult			
9	Combined Sub-Total	26.82						31.92			
10	Penetration Assumption	0.364						0.636			
11	Sub-Total 4	9.755						20.311			
			Blended								
12	Blended In & Out Claim Co	Ee 30.07									
13	PPO pepm Fee	0.60				_					
14	Expense Percentage	70.0%				+					
15	Premium	43.81									
16	Manual Rates		Rates By Tie	r Structure		40.04					
		1 Tier	Per Adult			43.81					

					ge Charge						
					Plan ID (7509	99CO03300	001)				
In-Net	work					Out-Of-I	Network				
III-Net	WOIK I	Adult	Adult	Adult	Adult	Out-Oi-i	Network	Adult	Adult	Adult	Adult
Cat		Type Of	Average	Utilization	Total Ann	Cat		Type Of	Average	Utilization	Total Ann
Code	Category of Service	Service	Charge	Per 1000	Cost	Code	Category of Service	Service	Charge	Per 1000	Cost
cl	Cleanings	A	63	901	56.55	cl	Cleanings	A	86	901	77.81
ex	Exams	A	34	1032	35.12	ex	Exams	Α	52	1032	53.41
fl se	Fluoride Sealants	n/a n/a	26 37	55 0	1.43 0.00	fl se	Fluoride Sealants	n/a n/a	35 52	55 0	1.90
sm	Space Maintainers	n/a	240	0	0.00	sm	Space Maintainers	n/a	317	0	0.00
ер	Emergency Pain	В	64	8	0.53	ер	Emergency Pain	В	98	8	0.82
rb	Radiographs - Bitewings	A	28	809	22.65	rb	Radiographs - Bitewings	A	41	809	33.54
rf	Radiographs - FMX	Α	81	153	12.30	rf	Radiographs - FMX	Α	114	153	17.37
fi	Restorations (Amalgams &	В	110	446	48.98	fi	Restorations (Amalgams &	В	152	446	67.66
cfi	Restorations (Posterior Re-		145	33	4.85	cfi	Restorations (Posterior Re	В	196	33	6.57
sie	Simple Extractions	В	127	117	14.86	sie	Simple Extractions	В	146	117	17.05
sue	Surgical Extractions	В	279	32	8.89	sue	Surgical Extractions	В	301	32	9.61
os	Oral Surgery	В	252	2	0.44	os	Oral Surgery	В	331	2	0.58
en	Endodontics	В	592	53	31.43	en	Endodontics	В	821	53	43.63
pm	Periodontal Maintenance	В	94	56	5.29	pm	Periodontal Maintenance	В	132	56	7.44
mip	Non-Surgical Periodontics	В	135	82	11.05	mip	Non-Surgical Periodontics	В	194	82	15.79
map in	Surgical Periodontics Inlays	B C	555 310	6 1	3.28 0.20	map	Surgical Periodontics	B C	753 444	6	4.45 0.29
in on	Inlays Onlays	C	310 708	3	1.80	in on	Inlays Onlays	C	1022	3	2.60
cr	Crowns	C	708 574	142	81.47	cr	Crowns	C	805	142	114.35
cr	Crowns Crown Repairs	C	66	142	0.80	crr	Crowns Crown Repairs	C	92	142	114.35
br	Bridges	C	724	12	8.46	br	Bridges	C	92	12	11.59
brr	Bridge Repairs	C	90	0	0.40	brr	Bridge Repairs	C	129	0	0.01
de	Dentures	C	946	10	9.34	de	Dentures	C	129	10	12.74
der	Denture Repairs	C	135	7	0.93	der	Denture Repairs	C	183	7	1.26
an	Anesthesia	В	231	10	2.19	an	Anesthesia	В	246	10	2.34
0	Orthodontic Coverage	D	0	15	0.00	0	Orthodontic Coverage	D	0	15	0.00
	In-Network						Out-Of-Network				
		Adult	Adult	Adult				Adult	Adult	Adult	
		Total	Total	Total				Total	Total	Total	
		Annual	Annual	Monthly				Annual	Annual	Monthly	
	Service	CC	Util	CC			Service	CC	Util	CC	
	Class A	126.61		10.55			Class A	182.13	2895	15.18	
	Class B	131.79		10.98			Class B	175.94	844	14.66	
	Class C	103.00		8.58			Class C	143.94	186	12.00	
	Class D (Ortho) Total	0.00 361.40		0.00 30.12			Class D (Ortho) Total	0.00 502.01	15 3940	0.00 41.83	
	TOTAL	301.40	3940	30.12			TOTAL	302.01	3940	41.03	
Calcı	ulation	In-Netw	ork					Out-of-I	Network		
		1						Out-of-Network			
Step		ın.	-Network A	DULT				Out-	of-Network	ADULT	
		A	-Network A	C C	Ortho			Out-	<b>of-Network</b> B	ADULT C	Ortho
1	Base Monthly Charges				Ortho 0.000						Ortho 0.000
	Base Monthly Charges Trend Adjustment	Α	В	С				Α	В	С	
1		A 10.551	B 10.982	C 8.583	0.000			A 15.177	B 14.662	C 11.995	0.000
1 2	Trend Adjustment	A 10.551 1.015 10.709	B 10.982 1.015	8.583 1.015	0.000 1.015			A 15.177 1.015	B 14.662 1.015	C 11.995 1.015	0.000 1.015
1 2 3	Trend Adjustment Sub-Total 1	A 10.551 1.015 10.709	B 10.982 1.015 11.147	C 8.583 1.015 8.712	0.000 1.015 0.000			A 15.177 1.015 15.405	B 14.662 1.015 14.881	C 11.995 1.015 12.175	0.000 1.015 0.000
1 2 3 4	Trend Adjustment Sub-Total 1 Deductible Adjustment +/	A 10.551 1.015 10.709 0.000	B 10.982 1.015 11.147 -1.210	C 8.583 1.015 8.712 -0.470	0.000 1.015 0.000 0.000			A 15.177 1.015 15.405 0.000	B 14.662 1.015 14.881 -1.210	C 11.995 1.015 12.175 -0.470	0.000 1.015 0.000 0.000
1 2 3 4 5	Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2	A 10.551 1.015 10.709 0.000 10.709	B 10.982 1.015 11.147 -1.210 9.937	C 8.583 1.015 8.712 -0.470 8.242	0.000 1.015 0.000 0.000 0.000			A 15.177 1.015 15.405 0.000 15.405	B 14.662 1.015 14.881 -1.210 13.671	C 11.995 1.015 12.175 -0.470 11.705	0.000 1.015 0.000 0.000 0.000
1 2 3 4 5 6	Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment	A 10.551 1.015 10.709 0.000 10.709 1.000	B 10.982 1.015 11.147 -1.210 9.937 1.000	C 8.583 1.015 8.712 -0.470 8.242 1.250	0.000 1.015 0.000 0.000 0.000 1.800			A 15.177 1.015 15.405 0.000 15.405 1.000	B 14.662 1.015 14.881 -1.210 13.671 1.000	C 11.995 1.015 12.175 -0.470 11.705 1.250	0.000 1.015 0.000 0.000 0.000 1.800
1 2 3 4 5 6 7	Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment	A 10.551 1.015 10.709 0.000 10.709 1.000 1.000	B 10.982 1.015 11.147 -1.210 9.937 1.000 0.800	C 8.583 1.015 8.712 -0.470 8.242 1.250 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500			A 15.177 1.015 15.405 0.000 15.405 1.000 0.800	B 14.662 1.015 14.881 -1.210 13.671 1.000 0.600	C 11.995 1.015 12.175 -0.470 11.705 1.250 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500
1 2 3 4 5 6 7	Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment	A 10.551 1.015 10.709 0.000 10.709 1.000 1.000	B 10.982 1.015 11.147 -1.210 9.937 1.000 0.800 7.950	C 8.583 1.015 8.712 -0.470 8.242 1.250 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500			A 15.177 1.015 15.405 0.000 15.405 1.000 0.800	B 14.662 1.015 14.881 -1.210 13.671 1.000 0.600 8.203	C 11.995 1.015 12.175 -0.470 11.705 1.250 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500
1 2 3 4 5 6 7 8	Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3	A 10.551 1.015 10.709 0.000 10.709 1.000 1.000 10.709 In-Netwood	B 10.982 1.015 11.147 -1.210 9.937 1.000 0.800 7.950	C 8.583 1.015 8.712 -0.470 8.242 1.250 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500			A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Net	B 14.662 1.015 14.881 -1.210 13.671 1.000 0.600 8.203	C 11.995 1.015 12.175 -0.470 11.705 1.250 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500
1 2 3 4 5 6 7 8	Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3  Combined Sub-Total	A 10.551 1.015 10.709 0.000 10.709 1.000 1.000 10.709 In-Netw Adult 23.81	B 10.982 1.015 11.147 -1.210 9.937 1.000 0.800 7.950	C 8.583 1.015 8.712 -0.470 8.242 1.250 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500			A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Net Adult 27.84	B 14.662 1.015 14.881 -1.210 13.671 1.000 0.600 8.203	C 11.995 1.015 12.175 -0.470 11.705 1.250 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500
1 2 3 4 5 6 7 8	Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3  Combined Sub-Total Penetration Assumption	A 10.551 1.015 10.709 0.000 10.709 1.000 10.709 1.000 10.709 1.000 10.709 In-Netw Adult 23.81 0.336	B 10.982 1.015 11.147 -1.210 9.937 1.000 0.800 7.950	C 8.583 1.015 8.712 -0.470 8.242 1.250 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500			A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Net Adult 27.84 0.664	B 14.662 1.015 14.881 -1.210 13.671 1.000 0.600 8.203	C 11.995 1.015 12.175 -0.470 11.705 1.250 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500
1 2 3 4 5 6 7 8	Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3  Combined Sub-Total	A 10.551 1.015 10.709 0.000 10.709 1.000 1.000 10.709 In-Netw Adult 23.81	B 10.982 1.015 11.147 -1.210 9.937 1.000 0.800 7.950	C 8.583 1.015 8.712 -0.470 8.242 1.250 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500			A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Net Adult 27.84	B 14.662 1.015 14.881 -1.210 13.671 1.000 0.600 8.203	C 11.995 1.015 12.175 -0.470 11.705 1.250 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500
1 2 3 4 5 6 7 8	Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3  Combined Sub-Total Penetration Assumption	A 10.551 1.015 10.709 0.000 10.709 1.000 10.709 1.000 10.709 1.000 10.709 In-Netw Adult 23.81 0.336	B 10.982 1.015 11.147 -1.210 9.937 1.000 0.800 7.950	C 8.583 1.015 8.712 -0.470 8.242 1.250 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500			A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Net Adult 27.84 0.664	B 14.662 1.015 14.881 -1.210 13.671 1.000 0.600 8.203	C 11.995 1.015 12.175 -0.470 11.705 1.250 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500
1 2 3 4 5 6 7 8	Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3  Combined Sub-Total Penetration Assumption	A 10.551 1.015 10.709 0.000 10.709 1.000 1.000 10.709 in-Netw Adult 23.81 0.336 8.003	B 10.982 1.015 11.147 -1.210 9.937 1.000 0.800 7.950	C 8.583 1.015 8.712 -0.470 8.242 1.250 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500			A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Net Adult 27.84 0.664	B 14.662 1.015 14.881 -1.210 13.671 1.000 0.600 8.203	C 11.995 1.015 12.175 -0.470 11.705 1.250 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500
1 2 3 4 5 6 7 8	Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3  Combined Sub-Total Penetration Assumption Sub-Total 4	A 10.551 1.015 10.709 1.000 10.709 1.000 10.709 1.000 10.709 1.000 10.381 0.336 8.003	B 10.982 1.015 11.147 -1.210 9.937 1.000 0.800 7.950	C 8.583 1.015 8.712 -0.470 8.242 1.250 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500			A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Net Adult 27.84 0.664	B 14.662 1.015 14.881 -1.210 13.671 1.000 0.600 8.203	C 11.995 1.015 12.175 -0.470 11.705 1.250 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500
1 2 3 4 5 6 7 8	Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3  Combined Sub-Total Penetration Assumption Sub-Total 4  Blended In & Out Claim Co	A 10.551 1.015 10.709 0.000 10.709 1.000 1.000 10.709 1.000 1.036 8.003	B 10.982 1.015 11.147 -1.210 9.937 1.000 0.800 7.950	C 8.583 1.015 8.712 -0.470 8.242 1.250 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500			A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Net Adult 27.84 0.664	B 14.662 1.015 14.881 -1.210 13.671 1.000 0.600 8.203	C 11.995 1.015 12.175 -0.470 11.705 1.250 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500
1 2 3 4 5 6 7 8 9 10 11	Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3  Combined Sub-Total Penetration Assumption Sub-Total 4  Blended In & Out Claim Co PPO pepm Fee	A 10.551 1.015 1.000 10.709 1.000 10.709 1.000 10.709 In-Netw Adult 23.81 0.336 8.003	B 10.982 1.015 11.147 -1.210 9.937 1.000 0.800 7.950	C 8.583 1.015 8.712 -0.470 8.242 1.250 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500			A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Net Adult 27.84 0.664	B 14.662 1.015 14.881 -1.210 13.671 1.000 0.600 8.203	C 11.995 1.015 12.175 -0.470 11.705 1.250 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500
1 2 3 4 5 6 7 8 9 10 11	Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3  Combined Sub-Total Penetration Assumption Sub-Total 4  Blended In & Out Claim Co PPO pepm Fee Expense Percentage	A 10.551 1.015 10.709 1.000 1.000 1.0709 1.000 1.0709 1.000	B 10.982 1.015 11.147 -1.210 9.937 1.000 0.800 7.950	C 8.583 1.015 8.712 -0.470 8.242 1.250 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500			A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Net Adult 27.84 0.664	B 14.662 1.015 14.881 -1.210 13.671 1.000 0.600 8.203	C 11.995 1.015 12.175 -0.470 11.705 1.250 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500
1 2 3 4 5 6 7 8 9 10 11	Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3  Combined Sub-Total Penetration Assumption Sub-Total 4  Blended In & Out Claim Co PPO pepm Fee	A 10.551 1.015 1.000 10.709 1.000 10.709 1.000 10.709 In-Netw Adult 23.81 0.336 8.003	B 10.982 1.015 11.147 -1.210 9.937 1.000 0.800 7.950	C 8.583 1.015 8.712 -0.470 8.242 1.250 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500			A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Net Adult 27.84 0.664	B 14.662 1.015 14.881 -1.210 13.671 1.000 0.600 8.203	C 11.995 1.015 12.175 -0.470 11.705 1.250 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500
1 2 3 4 5 6 7 8 9 10 11	Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3  Combined Sub-Total Penetration Assumption Sub-Total 4  Blended In & Out Claim Co PPO pepm Fee Expense Percentage	A 10.551 1.015 10.709 1.000 1.000 1.0709 1.000 1.0709 1.000	B 10.982 1.015 11.147 -1.210 9.937 1.000 0.800 7.950	C 8.583 1.015 8.712 -0.470 8.242 1.250 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500			A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Net Adult 27.84 0.664	B 14.662 1.015 14.881 -1.210 13.671 1.000 0.600 8.203	C 11.995 1.015 12.175 -0.470 11.705 1.250 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500
1 2 3 4 5 6 7 8 8 9 10 11 11	Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3  Combined Sub-Total Penetration Assumption Sub-Total 4  Blended In & Out Claim Co PPO pepm Fee Expense Percentage Premium	A 10.551 1.015 10.709 0.000 10.709 1.000 1.000 10.709 1.000 1.036 8.003 Ee 26.49 0.60 70.0% 38.70	B 10.982 1.015 11.147 -1.210 9.937 1.000 0.800 7.950 ork	C 8.583 1.015 8.712 -0.470 8.242 1.250 0.500 5.151	0.000 1.015 0.000 0.000 1.800 0.500 0.000			A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Net Adult 27.84 0.664	B 14.662 1.015 14.881 -1.210 13.671 1.000 0.600 8.203	C 11.995 1.015 12.175 -0.470 11.705 1.250 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500
1 2 3 4 5 6 7 8 9 10 11	Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3  Combined Sub-Total Penetration Assumption Sub-Total 4  Blended In & Out Claim Co PPO pepm Fee Expense Percentage	A 10.551 1.015 10.709 0.000 10.709 1.000 1.000 10.709 1.000 1.036 8.003 Ee 26.49 0.60 70.0% 38.70	B 10.982 1.015 11.147 -1.210 9.937 1.000 0.800 7.950	C 8.583 1.015 8.712 -0.470 8.242 1.250 0.500 5.151	0.000 1.015 0.000 0.000 1.800 0.500 0.000	38.70		A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Net Adult 27.84 0.664	B 14.662 1.015 14.881 -1.210 13.671 1.000 0.600 8.203	C 11.995 1.015 12.175 -0.470 11.705 1.250 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 15 16 17 18 18 18 18 18 18 18 18 18 18 18 18 18	Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3  Combined Sub-Total Penetration Assumption Sub-Total 4  Blended In & Out Claim Co PPO pepm Fee Expense Percentage Premium	A 10.551 1.015 1.015 1.000 10.709 1.000 10.709 1.000 10.709 In-Netw Adult 23.81 0.336 8.003	B 10.982 1.015 11.147 -1.210 9.937 1.000 0.800 7.950  ork  Blended	C 8.583 1.015 8.712 -0.470 8.242 1.250 0.500 5.151	0.000 1.015 0.000 0.000 1.800 0.500 0.000	38.70		A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Net Adult 27.84 0.664	B 14.662 1.015 14.881 -1.210 13.671 1.000 0.600 8.203	C 11.995 1.015 12.175 -0.470 11.705 1.250 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500
1 2 3 4 5 6 7 8 9 10 11	Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3  Combined Sub-Total Penetration Assumption Sub-Total 4  Blended In & Out Claim Co PPO pepm Fee Expense Percentage Premium	A 10.551 1.015 1.015 1.000 10.709 1.000 10.709 1.000 10.709 In-Netw Adult 23.81 0.336 8.003	B 10.982 1.015 11.147 -1.210 9.937 1.000 0.800 7.950  ork  Blended	C 8.583 1.015 8.712 -0.470 8.242 1.250 0.500 5.151	0.000 1.015 0.000 0.000 1.800 0.500 0.000	38.70		A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Net Adult 27.84 0.664	B 14.662 1.015 14.881 -1.210 13.671 1.000 0.600 8.203	C 11.995 1.015 12.175 -0.470 11.705 1.250 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500

ex	Category of Service  Cleanings Exams Fluoride Sealants Sealants Sepace Maintainers Emergency Pain Radiographs - Bittevings Radiographs - FMX Restorations (Amalgams & Restorations (Posterior Resimple Extractions Surgical Extractions Dral Surgery Endodontics Dral Surgery Endodontics Dral Surgery Endodontics Dral Surgery Endodontics Covernate Periodontics Surgical Periodontics Surgical Periodontics Coverns Crown C	Adult Type Of Service  A A A n/a n/a n/a B A A B B B B C C C C C C C C C C	Adult Average Charge  63 34 26 64 28 81 110 145 127 279 252 592 94 135 555 310 7088 574	Adult Utilization Per 1000  901 1032 55 0 0 8 809 153 117 32 2 53 56 82 6	Adult Total Ann Cost  56.55 35.12 1.43 0.00 0.53 22.65 12.30 48.98 4.85 14.86 8.89 0.44 31.43 5.29		Category of Service  Cleanings Exams Fluoride Sealants Space Maintainers Emergency Pain Radiographs - FMX Restorations (Posterior Re Simple Extractions Surgical Extractions	Adult Type Of Service A A n/a n/a n/a B A A B B B B	Adult Average Charge 86 52 35 52 317 98 41 152 196 146 301 301	Adult Utilization Per 1000 901 1032 55 0 0 8 809 153 446 333	Adult Total Ann Cost 77.81 53.41 1.90 0.00 0.00 33.54 17.37 67.66 6.57 17.05
Cat Code  Co	Category of Service  Cleanings Exams Fluoride Sealants Space Maintainers Emergency Pain Radiographs - Bitewings Radiographs - FMX Restorations (Amalgams & Restorations (Posterior Re Simple Extractions Oral Surgery Endodontics Periodontal Maintenance Non-Surgical Periodontics Surgical Periodontics Periodonal Maintenance Non-Surgical Periodontics Inlays Onlays Crown Repairs Bridges Bridge Repairs Denture Repairs Anesthesia	Type Of Service  A A A n/a n/a n/a n/a n/a s B B B B B B B B B B C C C C C C C C C	Average Charge 63 34 26 37 240 64 28 81 110 145 127 279 252 592 94 135 555 310 7088 574	Utilization Per 1000  901 1032 555 0 88 809 1117 333 1117 22 22 23 66 822 66	Total Ann Cost  56.55 35.12 1.43 0.00 0.00 0.53 22.65 12.30 48.98 4.85 14.86 8.89 0.44 31.43	Cat Code  cl ex fl se sm ep rb rf fi cfi sie sue	Category of Service  Cleanings Exams Fluoride Sealants Space Maintainers Emergency Pain Radiographs - Bitewings Radiographs - FMX Restorations (Amalgams & Restorations (Posterior Re Simple Extractions	Type Of Service  A A A n/a n/a n/a A B A B B B	86 52 35 52 317 98 41 114 152 196 146 146	Utilization Per 1000  901 1032 55 0 0 8 809 153 446 33 117	77.81 53.41 1.90 0.00 0.82 33.54 17.37 67.66
Cat Code  Co	Category of Service  Cleanings Exams Fluoride Sealants Space Maintainers Emergency Pain Radiographs - Bitewings Radiographs - FMX Restorations (Amalgams & Restorations (Posterior Re Simple Extractions Oral Surgery Endodontics Periodontal Maintenance Non-Surgical Periodontics Surgical Periodontics Periodonal Maintenance Non-Surgical Periodontics Inlays Onlays Crown Repairs Bridges Bridge Repairs Denture Repairs Anesthesia	Type Of Service  A A A n/a n/a n/a n/a n/a s B B B B B B B B B B C C C C C C C C C	Average Charge 63 34 26 37 240 64 28 81 110 145 127 279 252 592 94 135 555 310 7088 574	Utilization Per 1000  901 1032 555 0 88 809 1117 333 1117 22 22 23 66 822 66	Total Ann Cost  56.55 35.12 1.43 0.00 0.00 0.53 22.65 12.30 48.98 4.85 14.86 8.89 0.44 31.43	Cat Code  cl ex fl se sm ep rb rf fi cfi sie sue	Category of Service  Cleanings Exams Fluoride Sealants Space Maintainers Emergency Pain Radiographs - Bitewings Radiographs - FMX Restorations (Amalgams & Restorations (Posterior Re Simple Extractions	Type Of Service  A A A n/a n/a n/a A B A B B B	86 52 35 52 317 98 41 114 152 196 146 146	Utilization Per 1000  901 1032 55 0 0 8 809 153 446 33 117	77.81 53.41 1.90 0.00 0.82 33.54 17.37 67.66
Code	Cleanings Exams Fluoride Sealants Space Maintainers Emergency Pain Radiographs - Bitewings Radiographs - FMX Restorations (Amalgams & Restorations (Posterior Re Simple Extractions Oral Surgery Endodontics Periodontics Periodontal Maintenance Non-Surgical Periodontics Surgical Periodontics Inlays Onlays Crown Repairs Endiges Bridge Repairs Denture Repairs Anesthesia	Service  A A n/a n/a n/a n/a A B B B B C C C C C C C C	Charge  63 34 26 37 240 68 81 110 1155 127 279 252 592 94 135 555 310 7088 574	Per 1000  901  1032  55  0  88  809  153  446  33  117  32  2  53  56  82  6	56.55 35.12 1.43 0.00 0.53 22.65 12.30 48.98 4.85 14.86 8.89 0.44 31.43	cl ex fl se sm ep rb ff fi ccfi sie sue	Cleanings Exams Fluoride Sealants Space Maintainers Emergency Pain Radiographs - Bitewings Radiographs - FMX Restorations (Posterior Re Simple Extractions	Service  A A n/a n/a n/a A B A B B B	Charge  86 52 35 52 317 98 41 114 152 196 146	901 1032 55 0 0 8 809 153 446 33	77.81 53.41 1.90 0.00 0.00 0.82 33.54 17.37 67.66
cl	Cleanings Exams Fluoride Sealants Space Maintainers Emergency Pain Radiographs - Bitewings Radiographs - FMX Restorations (Amalgams & Restorations (Posterior Re Simple Extractions Oral Surgery Endodontics Periodontics Periodontal Maintenance Non-Surgical Periodontics Surgical Periodontics Inlays Onlays Crown Repairs Endiges Bridge Repairs Denture Repairs Anesthesia	A A A A N/a n/a n/a n/a B A A B B B B B C C C C C C C C C C	63 34 266 37 240 64 28 81 110 145 127 279 252 592 94 135 555 310 7088 574	901 1032 0 0 0 8 8099 153 446 33 31 7 7 7 2 2 5 3 5 6 6	56.55 35.12 1.43 0.00 0.00 0.53 22.65 12.30 48.98 4.85 14.86 8.89 0.44 31.43	cl ex fl se sm ep rb rf fi cfi sie sue	Cleanings Exams Fluoride Sealants Space Maintainers Emergency Pain Radiographs - Bitewings Radiographs - FMX Restorations (Posterior Re Simple Extractions	A A n/a n/a n/a A A B A B B B	86 52 35 52 317 98 41 114 152 196	901 1032 55 0 0 8 809 153 446 33	77.81 53.41 1.90 0.00 0.00 0.82 33.54 17.37 67.66 6.57
ex	Exams Fluoride Sealants Space Maintainers Emergency Pain Radiographs - Bitewings Radiographs - FMX Restorations (Amalgams & Restorations (Posterior Re- Simple Extractions Surgical Extractions Dral Surgery Endodontics Periodontal Maintenance Non-Surgical Periodontics Surgical Periodontics Inlays Onlays Crown Crown Crown Crown Crown Crown Conders Bridges Bridge Bridge Repairs Denture Repairs Anesthesia	A n/a	34 26 377 240 64 28 811 110 145 127 279 252 592 94 1355 555 310 7088 574	1032 55 0 8 809 153 446 33 117 32 2 2 53 882	35.12 1.43 0.00 0.00 0.53 22.65 12.30 48.98 4.85 14.86 8.89 0.44 31.43	ex fl se sm ep rb rf fi cfi sie sue	Exams Fluoride Sealants Space Maintainers Emergency Pain Radiographs - Bitewings Radiographs - FMX Restorations (Amalgams & Restorations (Posterior Re Simple Extractions	A n/a n/a n/a B A B B B	52 35 52 317 98 41 114 152 196	1032 55 0 0 8 809 153 446 33	53.41 1.90 0.00 0.00 0.82 33.54 17.37 67.66 6.57
ex	Exams Fluoride Sealants Space Maintainers Emergency Pain Radiographs - Bitewings Radiographs - FMX Restorations (Amalgams & Restorations (Posterior Re- Simple Extractions Surgical Extractions Dral Surgery Endodontics Periodontal Maintenance Non-Surgical Periodontics Surgical Periodontics Inlays Onlays Crown Crown Crown Crown Crown Crown Conders Bridges Bridge Bridge Repairs Denture Repairs Anesthesia	A n/a	34 26 377 240 64 28 811 110 145 127 279 252 592 94 1355 555 310 7088 574	1032 55 0 8 809 153 446 33 117 32 2 2 53 882	35.12 1.43 0.00 0.00 0.53 22.65 12.30 48.98 4.85 14.86 8.89 0.44 31.43	ex fl se sm ep rb rf fi cfi sie sue	Exams Fluoride Sealants Space Maintainers Emergency Pain Radiographs - Bitewings Radiographs - FMX Restorations (Amalgams & Restorations (Posterior Re Simple Extractions	A n/a n/a n/a B A B B B	52 35 52 317 98 41 114 152 196	1032 55 0 0 8 809 153 446 33	53.41 1.90 0.00 0.00 0.82 33.54 17.37 67.66 6.57
file Files F	Fluoride Sealants Sepace Maintainers Emergency Pain Radiographs - Bitewings Radiographs - Bitewings Radiographs - FMX Restorations (Amalgams & Restorations (Posterior Re Simple Extractions Oral Surgent Endodontics Periodontial Maintenance Non-Surgical Periodontics Surgical Periodontics Oral Surgent Endodontics Periodontal Maintenance Non-Surgical Periodontics Oral Surgent Endodontics Surgical Periodontics Surgical Periodontics Onlays Crown Repairs Endiges Bridge Repairs Denture Repairs Anesthesia	n/a n/a n/a n/a n/a B A A B B B B C C C C C C C	26 37 240 64 28 81 110 1455 127 279 252 94 135 555 310 7088 574	55 0 0 8 8 809 153 446 33 117 32 2 53 56 82	1.43 0.00 0.00 0.53 22.65 12.30 48.98 4.85 14.86 8.89 0.44 31.43	fl se sm ep rb rf fi cfi sie sue	Fluoride Sealants Space Maintainers Emergency Pain Radiographs - Bitewings Radiographs - FMX Restorations (Amalgams & Restorations (Posterior Re Simple Extractions	n/a n/a n/a B A A B B	35 52 317 98 41 114 152 196	55 0 0 8 809 153 446 33	1.90 0.00 0.00 0.82 33.54 17.37 67.66
see Sism Sism Sism Sism Sism Sism Sism Sism	Sealants Space Maintainers Space Maintainers Emergency Pain Radiographs - Bitewings Radiographs - FMX Restorations (Amalgams & Restorations (Posterior Re Simple Extractions Oral Surgery Endodontics Periodontal Maintenance Non-Surgical Periodontics Surgical Periodontics Olays Crown Repairs Bridge Repairs Denture Repairs Anesthesia	n/a n/a B A A B B B B B C C C C C C C	37 240 64 288 81 110 145 127 279 252 592 94 135 555 310 7088 574	0 8 809 153 446 33 117 32 2 53 56 82 6	0.00 0.00 0.53 22.65 12.30 48.98 4.85 14.86 8.89 0.44 31.43	se sm ep rb rf fi cfi sie sue	Sealants Space Maintainers Emergency Pain Radiographs - Bitewings Radiographs - FMX Restorations (Amalgams & Restorations (Posterior Re Simple Extractions	n/a n/a B A A B B	52 317 98 41 114 152 196 146	0 0 8 809 153 446 33 117	0.00 0.00 0.82 33.54 17.37 67.66
Sm Spep Eight Spep Eig	Space Maintainers Emergency Pain Emergency Pain Radiographs - Bitewings Radiographs - FMX Restorations (Amalgams & Restorations (Posterior Re Simple Extractions Surgical Extractions Dral Surgery Endodontics Periodontal Maintenance Non-Surgical Periodontics Surgical Periodontics Ilays Onlays Crown Crown Repairs Bridge Bridge Repairs Denture Repairs Anesthesia	n/a B A A B B B B C C C C C C	240 64 28 81 110 145 127 279 252 592 94 135 555 305 708	0 8 809 153 446 33 117 32 2 53 56 82	0.00 0.53 22.65 12.30 48.98 4.85 14.86 8.89 0.44 31.43	sm ep rb rf fi cfi sie sue	Space Maintainers Emergency Pain Radiographs - Bitewings Radiographs - FMX Restorations (Amalgams & Restorations (Posterior Re Simple Extractions	n/a B A A B B	317 98 41 114 152 196 146	0 8 809 153 446 33 117	0.00 0.82 33.54 17.37 67.66 6.57
ep Eirb Rand Rand Rand Rand Rand Rand Rand Rand	Emergency Pain Radiographs - Bitewings Radiographs - FMX Restorations (Amalgams & Restorations (Amalgams & Restorations (Posterior Re Simple Extractions Dral Surgery Endodontics Periodontal Maintenance Non-Surgical Periodontics Surgical Periodontics Inlays Crowns Crown Repairs Bridges Bridge Repairs Denture Repairs Denture Repairs Anesthesia	B A A B B B B B C C C C C C C C	64 28 81 110 145 127 279 252 592 94 135 555 310 708	8 809 153 446 33 117 32 2 53 56 82 6	0.53 22.65 12.30 48.98 4.85 14.86 8.89 0.44 31.43	ep rb rf fi cfi sie sue	Emergency Pain Radiographs - Bitewings Radiographs - FMX Restorations (Amalgams & Restorations (Posterior Re Simple Extractions	B A A B B	98 41 114 152 196 146	8 809 153 446 33 117	0.82 33.54 17.37 67.66 6.57
rb Rr rf Rr Rr rf Rr Rr Rr rf Rr Rr Rr Rr rf Rr	Radiographs - Bitewings Radiographs - FMX Restorations (Amalgams & Restorations (Posterior Re Simple Extractions Surgical Extractions Oral Surgeny Endodontics Periodontal Maintenance Non-Surgical Periodontics Surgical Periodontics Oral Surgeny Endodontics Periodontal Maintenance Non-Surgical Periodontics Oral Surgeny Endodontics Surgical Periodontics Surgical Periodontics Oral Surgeny Endodontics Oral Surgeny Endodont	A B B B B B C C C C C C	81 110 145 127 279 252 592 94 135 555 310 708	809 153 446 33 117 32 2 53 56 82 6	22.65 12.30 48.98 4.85 14.86 8.89 0.44 31.43	rb rf fi cfi sie sue	Radiographs - Bitewings Radiographs - FMX Restorations (Amalgams & Restorations (Posterior Re Simple Extractions	A B B	114 152 196 146	809 153 446 33 117	33.54 17.37 67.66 6.57
rf Rr	Radiographs - FMX Restorations (Amalgams & Restorations (Posterior Re Simple Extractions Surgical Extractions Oral Surgery Endodontics Periodontal Maintenance Non-Surgical Periodontics Surgical Periodontics Olays Crowns Crown Repairs Bridge Repairs Denture Repairs Anesthesia	B B B B B C C C C C C	110 145 127 279 252 592 94 135 555 310 708	446 33 117 32 2 53 56 82 6	48.98 4.85 14.86 8.89 0.44 31.43	fi cfi sie sue	Radiographs - FMX Restorations (Amalgams & Restorations (Posterior Re Simple Extractions	B B B	152 196 146	446 33 117	67.66 6.57
cfi Residence Step Step Step Step Step Step Step Ste	Restorations (Posterior Re Simple Extractions Surgical Extractions Dral Surgery Endodontics Periodontal Maintenance Non-Surgical Periodontics Surgical Periodontics Inlays Dralays Crowns Crown Repairs Bridge Repairs Denture Repairs Denture Repairs	B B B B B C C C C C C C	145 127 279 252 592 94 135 555 310 708	33 117 32 2 53 56 82 6	4.85 14.86 8.89 0.44 31.43	cfi sie sue	Restorations (Posterior Re Simple Extractions	B B	196 146	33 117	6.57
Sie	Simple Extractions Surgical Extractions Oral Surgery Endodontics Periodontal Maintenance Non-Surgical Periodontics Surgical Periodontics Oral Surgical Perio	B B B B C C C C C C	127 279 252 592 94 135 555 310 708	117 32 2 53 56 82 6	14.86 8.89 0.44 31.43	sie sue	Simple Extractions	В	146	117	
sue Sie Sie Sie Sie Sie Sie Sie Sie Sie Si	Surgical Extractions  Dral Surgery  Endodontics  Periodontal Maintenance  Non-Surgical Periodontics  Surgical Periodontics  Inlays  Conlays  Crowns  Crown Repairs  Bridges  Bridge Repairs  Denture Repairs  Denture Repairs  Anesthesia	B B B C C C C C C	279 252 592 94 135 555 310 708	32 2 53 56 82 6	8.89 0.44 31.43	sue					17.05
os Osen Eigen Eige	Oral Surgery Endodontics Endodontics Periodontal Maintenance Non-Surgical Periodontics Surgical Periodontics Ilays Onlays Crowns Crown Repairs Bridges Bridge Repairs Denture Repairs Anesthesia	B B B C C C C C C	252 592 94 135 555 310 708 574	2 53 56 82 6	0.44 31.43		Surgical Extractions	В	301		
en En Proposition	Endodontics Periodontal Maintenance Periodontal Maintenance Non-Surgical Periodontics Surgical Periodontics Ilays Driays Crown Crown Repairs Bridges Bridge Repairs Denture Repairs Denture Repairs Anesthesia	B B B C C C C C C C C C	592 94 135 555 310 708 574	53 56 82 6	31.43	os				32	9.61
pm Promip Nomip No	Periodontal Maintenance Non-Surgical Periodontics Surgical Periodontics Inlays Onlays Crowns Crown Repairs Bridges Bridge Repairs Denture Repairs Anesthesia	B B C C C C C	94 135 555 310 708 574	56 82 6			Oral Surgery	В	331	2	0.58
mip Numap Numap State Numap Nu	Non-Surgical Periodontics Surgical Periodontics Inlays Onlays Crowns Crown Repairs Bridges Bridge Repairs Denture Repairs Denture Repairs Anesthesia	B B C C C C C C	135 555 310 708 574	82 6		en	Endodontics Periodontal Maintenance	B B	821 132	53	43.63 7.44
map Sin In	Surgical Periodontics Inlays Onlays Crowns Crown Repairs Bridges Bridge Repairs Denture Repairs Anesthesia	B C C C C C C C C	555 310 708 574	6		pm		В	132	56 82	15.79
in	nlays Onlays Onlays Crowns Crown Repairs Bridges Bridge Repairs Dentures Denture Repairs Anesthesia	000000	310 708 574		11.05 3.28	mip map	Non-Surgical Periodontics Surgical Periodontics	В	753	6	15.79 4.45
Calcular  Cor	Onlays Crowns Crown Repairs Bridges Bridge Repairs Dentures Denture Repairs Anesthesia	00000	708 574	1	0.20	in	Inlays	С	444	1	0.29
Crece	Crowns Crown Repairs Andges Bridge Repairs Dentures Denture Repairs Anesthesia	0 0 0	574	3	1.80	on	Onlays	C	1022	3	2.60
Critical Cri	Crown Repairs Bridges Bridge Repairs Dentures Denture Repairs Anesthesia	0 0		142	81.47	cr	Crowns	C	805	142	114.35
bor British Br	Bridges Bridge Repairs Dentures Denture Repairs Anesthesia	C C	66	12	0.80	crr	Crown Repairs	C	92	12	1.11
brr Bride Didder Do Gran An	Bridge Repairs Dentures Denture Repairs Anesthesia	С	724	12	8.46	br	Bridges	С	992	12	11.59
de Doder Dod	Dentures Denture Repairs Anesthesia	С	90	0	0.01	brr	Bridge Repairs	C	129	0	0.01
In Signature Calcular Step	Anesthesia	С	946	10	9.34	de	Dentures	С	1291	10	12.74
Sin			135	7	0.93	der	Denture Repairs	С	183	7	1.26
Si Ci	Orthodontic Coverage	В	231	10	2.19	an	Anesthesia	В	246	10	2.34
Since		D	0	15	0.00	0	Orthodontic Coverage	D	0	15	0.00
Since							<u> </u>				
Since	n-Network						Out-Of-Network				
Calcula Step	II-Network	Adult	Adult	Adult			Out-OI-Network	Adult	Adult	Adult	
Calcula Step		Total	Total	Total				Total	Total	Total	
Calcula Step		Annual	Annual	Monthly				Annual	Annual	Monthly	
Calcula Step	Service	CC	Util	CC			Service	CC	Util	CC	
Calcula Step	Class A	126.61	2895	10.55			Class A	182.13	2895	15.18	
Calcula Step	Class B	131.79	844	10.98			Class B	175.94	844	14.66	
Calcula Step	Class C	103.00	186	8.58			Class C	143.94	186	12.00	
Calcula Step	Class D (Ortho)	0.00	15	0.00			Class D (Ortho)	0.00	15	0.00	
Step	Total	361.40	3940	30.12			Total	502.01	3940	41.83	
Step											
Step											
	lation	In-Netw							Network		
			Network A		Outhor				of-Network		Outline
		Α	В	C	Ortho			Α	В	C	Ortho
	Base Monthly Charges	10.551	10.982	8.583	0.000			15.177	14.662	11.995	0.000
	Trend Adjustment	1.015	1.015	1.015	1.015	-		1.015	1.015	1.015	1.015
	Sub-Total 1	10.709	11.147	8.712	0.000			15.405	14.881	12.175	0.000
	Deductible Adjustment +/	0.000	-1.210	-0.470	0.000			0.000	-1.210	-0.470	0.000
	Sub-Total 2	10.709	9.937	8.242	0.000			15.405	13.671	11.705	0.000
	Plan Max Adjustment	1.000	1.000	0.860	1.800			1.000	1.000	0.860	1.800
	Coinsurance Adjustment	1.000	0.700	0.500	0.500			0.800	0.500	0.500	0.500
8 S	Sub-Total 3	10.709	6.956	3.544	0.000			12.324	6.836	5.033	0.000
		In-Netwo	ork					Out-of-Net	work		
		Adult	JIK					Adult	WOIK		
9 C	Combined Sub-Total	21.21						24.19			
	Penetration Assumption	0.341						0.659			
	Sub-Total 4	7.223						15.954			
			Blended								
		Ee									
<b>12</b> BI	Blended In & Out Claim Co	23.18									
	PPO pepm Fee	0.60									
	i o pepili i ee	70.0%									
		33.97									
	Expense Percentage Premium										
	Expense Percentage										
16 M	Expense Percentage Premium	IManual D		er Structure		22.27					
	Expense Percentage		Per Adult			33.97					
-+	Expense Percentage Premium										
	Expense Percentage Premium										

The following premium rate Table I, provides the rate build-up and all associated rating factors for the Adult and Child Orthodontia benefit under Plan IDs (75099CO320002) and (75099CO320003). When Child only Orthodontia is offered under Plan ID (75099CO32002) the monthly premium rate pmpm, as shown below for the Orthodontia benefit, is \$6.40. When Adult & Child Orthodontia is offered under Plan ID (75099CO32003) the monthly premium rate pmpm, as shown below for the Orthodontia benefit is \$6.40 pmpm for a child and \$3.26 pmpm for an Adult.

Table I \$2,000 Lifetime Maximum Ortho Plan

	Adult Ortho	Child Ortho
Starting Claim Cost	2.535	4.980
Plan Max Adjustment	1.800	1.800
Coinsurance Adjustment	0.500	0.500
Sub-Total	2.250	4.482
TLR	0.700	0.700
Premium pmpm	\$3.26	\$6.40

The following premium rate Table II, provides the rate build-up and all associated rating factors for the Adult and Child Orthodontia benefit under Plan IDs (75099CO330002) and (75099CO330003). When Child only Orthodontia is offered under Plan ID (75099CO33002) the monthly premium rate pmpm, as shown below for the Orthodontia benefit, is \$4.98. When Adult & Child Orthodontia is offered under Plan ID (75099CO33003) the monthly premium rate pmpm, as shown below for the Orthodontia benefit is \$4.98 pmpm for a child and \$2.54 pmpm for an Adult.

Table II \$1,500 Lifetime Maximum Ortho Plan

	Adult	Child
	Ortho	Ortho
Starting Claim Cost	2.535	4.980
Plan Max Adjustment	1.400	1.400
Coinsurance Adjustment	0.500	0.500
Sub-Total	1.750	3.486
TLR	0.700	0.700
Premium pmpm	\$2.54	\$4.98

# SeeChange Life Insurance Company, Inc.

# Group Dental Insurance Policy Actuarial Memorandum

# Policy Number 75099CO0300001 and 75099CO0310001 Plan Marketing Names: PPACA Child Dental 1 and PPACA Child Dental 2

### A. Summary

- 1. Reasons: The purpose of this memorandum is to describe the benefits and assumptions for the attached Group Dental Insurance Policy, and to certify that this Form is in compliance with applicable laws and regulations of the state. This is a new product filing to be used for groups with less than 51 lives and to provide coverage for children that are less than the age 19 in accordance the definition of Essential Health Benefits (EHB) under ACA. This memorandum is not intended to be used for any other purpose.
- 2. Requested Rate Action: This is a new product filing with no existing business under this Policy form.
- 3. Marketing Method: This Policy is intended to be distributed to employer groups, and associations through independent agents and brokers
- 4. Premium Classification: The rates and benefits do not vary by age, industry, or any demographic factors other than area.
- 5. Product Description: This Form is designed to provide Dental Insurance benefits for dependents of employees and members of employer groups and associations. After an initial 12 month contract period, the contract is renewable on a month to month basis. The premiums may be paid by the employee, employer, member, association, or any combination.
  - Benefits include coverage for certain of the following types of dental services: preventive, diagnostic, basic, and major.
  - There will be a total of 4 plan designs offered, which are described below. These 4 plan designs vary by deductible, coinsurance and whether the plan is a MAC or PPO plan as defined in the following bullet point. There are also frequency limits and age limits for certain procedures, as defined in the Policy. The pediatric benefits in this policy meet the definition of the Essential Health Benefits (EHB) under ACA.
    - i. Low (70% Actuarial Value) MAC & PPO Plans → \$150 deductible waived for class A services with 100% coverage (i.e. coinsurance) for class A services and 50% coverage (i.e. coinsurance) for all other EHB covered services.

ii. High (85% Actuarial Value) MAC & PPO Plans → \$50 deductible waived for class A services with 100% coverage (i.e. coinsurance) for class A services and 80% coverage (i.e. coinsurance) for all other EHB covered services.

Note: Class A services include cleanings, exams, fluoride treatment, sealants, and x-rays. All other covered services in this policy meet the definition of EHB under ACA and have the same coverage percentage (i.e. coinsurance) mentioned above in i. and ii.

- For network providers the benefit payable for each procedure under this Policy is based on a fee schedule accepted by the network of participating providers in the state. For non-network providers the benefit payable for each procedure under this Policy may also be based on this network fee schedule (MAC plan); or may be based on submitted charges limited to the company's UCR fee schedule (PPO plan).
- 6. Policy/Rider form: Only the Policy Form listed in the heading of this actuarial memorandum will be impacted by this filing.
- 7. Age Basis: There is only one age-related rate basis for this product: Children < age 19.
- 8. Renewability Provision: This is an Optionally Renewable Policy form for an annually rated group Policy.

### **B.** Assumption or Acquisition

The Policy form included with this rate filing was not part of an assumption or acquisition.

### C. Rating Period

The rating methodology used to produce rates under this Policy form applies to all rating periods and will become effective on 1/1/2014.

### **D.** Underwriting

This Policy is guaranteed issued. There is no individual underwriting of this Policy.

### E. Effect of Law Changes

This is a new product filing, and as such there are no changes to the rates, expenses, or medical costs under this Policy form due to changes in laws or regulations.

### F. Rate History

There is currently no existing business on this Form, so there is no rate history.

### **G.** Coordination of Benefits

Since this is a new product filing, there is no loss experience net of savings associated with COB or subrogation.

### H. Relation of Benefits to Premium

The State-mandated minimum anticipated benefit ratio for Dental / Vision products is 60%. The target loss ratio for this Form is 70% at all durations. The expense assumptions used to develop the premiums are based on the company's actual costs developed from experience with other Group Insurance Forms.

Retention Elements	
Commissions	15.00%
Premium Taxes (S/F)	4.00%
Risk Margin	3.00%
Administration	12.50%
Total Retention	30.00%

### I. Lifetime Loss Ratio

This is an optionally renewable Policy form for an annually rated Group Policy. Active life reserves, persistency assumptions and interest/discount rates are not applicable with annually renewable group term insurance. The lifetime loss ratio is expected to be equivalent to the target loss ratio of 70% at each Policy duration.

### J. Provision for Profit and Contingencies

This Form includes a risk margin (provision for profit and contingency) of 3.0% of premium as shown in the Retention Elements table above. This is sufficient to meet the Company's return on investment target with respect to its risk based capital requirements. Since this is an annually rated group Policy, investment income from unearned premium reserves and incurred but not reported reserves are not applicable and immaterial, respectively.

### K. Explanation of Proposed Rate Development

As shown in the attached Exhibit I, claim costs for this plan are initially calculated separately for each of the categories of dental services (cleanings, exams, fluoride, etc.) and separately by in-network and out-of-network. These initial total charges are calculated by taking the product of the state-wide average charges for each category of service and the average annual utilization rates for each category of service. These average charges are based on the negotiated network fee schedules and/or submitted charges by non-network providers limited to the Company's UCR fee schedule. The average utilization rates have been provided by an actuarial consulting firm, Actuarial Worksite Marketing Services, Inc. (AWMS), and are based on experience data contributed by the firm's dental clients during the period 2010-2012. These resulting initial total charges by category are then combined into classes of service (preventive, basic, major and orthodontia) by summing up, and are then converted to monthly

costs by dividing by 12. The resulting base monthly charges are then adjusted for six month's trend, deductibles, and coinsurance to derive the monthly claim costs. The adjustments for deductibles are based on factors provided by AWMS. These monthly claim costs are then summed into in-network and out-of-network sub-totals, weighted by the assumed network penetration and combined, and finally divided by the target loss ratio to result in the projected monthly premium rates. The attached Exhibit I provides sample documentation for the average statewide child rate calculation for the Low MAC Plan. The statewide premiums are then adjusted by a factor for each of the 11 rating regions in Colorado, as described below.

### L. Trend

The rates shown in this actuarial memo will be used for effective dates beginning in 2014. An annual trend factor, currently 4%, will be used to derive the premiums rates for effective dates beginning after 2014. This trend factor is currently based on a projected annual increase of 3% in dental prices and 1% in utilization rates.

### M. Credibility

This is a new product filing. There is currently no business in Colorado or nationally.

### N. Data Requirements

This is a new product filing. There is currently no business in Colorado or nationally.

### O. Side-by-Side Comparison

Since this is a new product filing, a side-by-side comparison is not applicable.

### P. Benefit Ratio Projections

Since this is an annually rated group insurance Policy form, the lifetime loss ratio is expected to be equivalent to the target loss ratio at each Policy duration. The 70% lifetime loss ratio is expected to equal the annual target loss ratio of 70% in each policy year.

### Q. Other Factors/Information

### 1. Area Factors

The rates do vary by area according to the 11 rating regions in the state. The actual area factors used were developed by initially calculating a weighted average fee for the entire state for all services. This weighted average was calculated by first using assumed utilization rates for the top 177 procedure codes times the network fee for each procedure to get an average fee for each network fee schedule in use in the state. Each of these average fees was then weighted by the percentage of the state's population assumed to access providers on that fee schedule with the result being an average statewide dental fee. A similar process was then used to calculate an average dental fee for each of the 11 rating regions

in the state. The ratios of the average fee for each region to the average fee for the state are the area factors.

Regional						
Factors						
Region	MAC	PPO				
CO -						
Agg	1.000	1.000				
1	0.966	1.015				
2	1.056	1.050				
3	1.043	1.032				
4	0.889	0.961				
5	0.891	0.891				
6	0.888	0.954				
7	1.014	0.915				
8	0.925	0.882				
9	0.856	0.947				
10	0.892	0.886				
11	0.991	0.995				

### 2. Premium Modalization Rules

This Form can be billed weekly, bi-weekly, monthly, quarterly, semiannually, or annually. Weekly premiums are 1/52 of annual premiums, bi-weekly premiums are 1/26 of annual premiums, and monthly premiums are 1/12 of annual premiums. Quarterly premiums are 1/4 of annual premiums. Semiannual premiums are 1/2 of annual premiums.

### 3. Claim Liability and Reserves

An incurred but not reported claim reserve will be held for this Form. This reserve will be estimated based on the previous 12-months of claim lag data (claims by incurred and paid date).

### **R.** Rating Manuals

The rates for this Policy are based on a rate table that varies by the 11 rating regions within the state. The statewide average child rates are shown here for each of the 4 EHB plans and will be applied to the appropriate regional area factors provided above to arrive at the area specific rates:

Pediatric EHB Dental Plans						
MAC PPO						
Low (70% AV)	\$22.11	\$27.56				
High (85% AV)	\$26.30	\$32.31				

#### **Actuarial Certification**

I, William J. DeCapua, am an Associate of the Society of Actuaries, and a Member of the American Academy of Actuaries, and meet the "Qualification Standards of Actuarial Opinion" as adopted by the American Academy of Actuaries. I certify that to the best of my knowledge and judgment, this filing is in compliance with the applicable laws of the State of Colorado and with the rules of the Department of Insurance; and complies with Actuarial Standards of Practice No. 8, "Regulatory Filings for Rates and Financial Projections for Health Plans", as adopted by the Actuarial Standards Board. The premiums are neither excessive, inadequate, nor unfairly discriminatory; and the benefits provided are reasonable in relation to the premiums charged.

**Consulting Actuary** 

Mm J. De Gena

06/12/2013

Date

						ibit I					
				Avera	age Charge	s and Uti	lization				
n-Net	work	Child	Child	Child	Child	Out-Of-N	letwork	Child	Child	Child	Child
Cat		Type Of		Utilization		Cat		Type Of	Average	Utilization	
Code	Category of Service	Service	Charge	Per 1000	Cost	Code	Category of Service	Service	Charge	Per 1000	Cost
couc	Category of Corvice	CCIVICC	Charge	1 01 1000	COST	Couc	Category of Corvice	CCIVICC	Charge	1 01 1000	COST
cl	Cleanings	Α	52	706	37.00	cl	Cleanings	Α	52	706	37.0
ex	Exams	Α	33	1092	36.26	ex	Exams	Α	33	1092	36.2
fl	Fluoride	Α	25	609	15.17	fl	Fluoride	Α	25	609	15.1
se	Sealants	Α	37	263	9.86	se	Sealants	Α	37	263	9.8
sm	Space Maintainers	В	266	6		sm	Space Maintainers	В	266	6	1.7
ep	Emergency Pain	В	64	2	0.14	ep	Emergency Pain	В	64	2	0.1
rb	Radiographs - Bitewings	A	28	520	14.35	rb	Radiographs - Bitewings	A	28	520	14.3
rf fi	Radiographs - FMX	A B	77 101	112 302	8.58	rf fi	Radiographs - FMX	A B	77 101	112 302	8.5
ofi Ofi	Restorations (Amalgams 8 Restorations (Posterior Re	В	139	29	30.52 4.01	cfi	Restorations (Amalgams Restorations (Posterior R	В	139	29	30.5
sie	Simple Extractions	В	123	102	12.57	sie	Simple Extractions	В	123	102	12.5
sue	Surgical Extractions	В	406	72	29.30	sue	Surgical Extractions	В	406	72	29.3
os	Oral Surgery	С	446	4	1.65	os	Oral Surgery	С	446		1.6
en	Endodontics	В	277	28		en	Endodontics	В	277	28	7.6
pm	Periodontal Maintenance	С	94	1	0.06	pm	Periodontal Maintenance	С	94	1	0.0
mip	Non-Surgical Periodontics	С	132	5	0.62	mip	Non-Surgical Periodontic	С	132	5	0.6
map	Surgical Periodontics	С	380	2	0.64	map	Surgical Periodontics	С	380	2	0.6
in	Inlays	С	585	0	0.03	in	Inlays	С	585	0	0.0
on	Onlays	С	711	0	0.14	on	Onlays	С	711	0	0.1
cr	Crowns	b	310	16		cr	Crowns	b	310	16	4.9
crr	Crown Repairs	С	66	1	0.04	crr	Crown Repairs	С	66	1	0.0
br	Bridges	С	638	0		br	Bridges	С	638	0	0.2
brr	Bridge Repairs	С	90	0		brr	Bridge Repairs	С	90	0	0.0
de der	Dentures	C	1025 107	0		de der	Dentures	C	1025 107	0	0.1
	Denture Repairs Anesthesia	С	268	39	10.44	an	Denture Repairs Anesthesia	С	268	39	10.4
an o	Orthodontic Coverage	D	4500	7		0	Orthodontic Coverage	D	4500		33.6
	Ottriodonillo Coverage		4000	,	00.01	U	Ottriodonillo Coverage		4000		00.0
	In-Network						Out-Of-Network				
		Child	Child	Child				Child	Child	Child	
		Total	Total	Total				Total	Total	Total	
		Annual	Annual	Monthly				Annual	Annual	Monthly	
	Service	CC	Util	CC			Service	CC	Util	CC	
	Class A	121.21	3302	10.10			Class A	121.21	3302	10.10	
	Class B	90.88	557	7.57			Class B	90.88	557	7.57	
	Class C	14.06	51	1.17			Class C	14.06	51	1.17	
	Class D (Ortho)	33.61	7	2.80			Class D (Ortho)	33.61	7	2.80	
	Total	259.76	3918	21.65			Total	259.76	3918	21.65	
Calc	ulation	In-Netw	ork					Out-of-l	Network		
		In	-Network C	HILD				Out	t-of-Networ	k CHILD	
Step		Α	В	С	Ortho			Α	В	С	Ortho
1	Base Monthly Charges	10.101	7.573	1.172	2.801			10.101	7.573	1.172	2.801
2	Trend Adjustment	1.015	1.015	1.015	1.015			1.015	1.015	1.015	1.015
3	Sub-Total 1	10.252	7.687	1.189	2.842			10.252	7.687	1.189	2.842
4	Deductible Adjustment +/	0.000	-3.100	-0.260	0.000			0.000	-3.100	-0.260	0.000
5	Sub-Total 2	10.252	4.587	0.929	2.842			10.252	4.587	0.929	2.842
6	Plan Max Adjustment	1.000	1.000	1.000	1.000			1.000	1.000	1.000	1.000
7	Coinsurance Adjustment	1.000	0.520	0.000	1.000			1.000	0.520	0.000	1.000
8	Sub-Total 3	10.252	2.385	0.000	2.842			10.252	2.385	0.000	2.842
		In-Netw	ork					Out-of-Ne	twork		
		Child						Child			
9	Combined Sub-Total	15.48						15.48			
10	Penetration Assumption	0.308						0.692			
11	Sub-Total 4	4.769						10.711			
		Blended									
		Child									
12	Blended In & Out Claim C	15.48									
13	PPO pepm Fee	0.00									
14	Expense Percentage	70.0%									
	Premium	22.11									
15											
15											
15	Manual Rates	Manual F	ates By Tie	er Structure	9						



June 28, 2013

TO: Nichole Boggess

Colorado Department of Insurance

RE: SeeChange Health Insurance Company, Inc.

SERFF Tracking #: SHIC - 129076988

State Tracking #: 279017

Product Name: PPACA Dental Filing [1000, 1500, 2000]

Policy Form Numbers: 75099CO0290001, 75099CO0330001, 75099CO0320001

#### Dear Nichole

The following response is in reference to your Objection letter dated June 26, 2013 to Daniel Bolvin. This response applies to Objections 3 through 10 with respect to the Policy Form Numbers shown above. Responses to Objections 1 and 2 can be found under separate cover.

Along with this letter, please find a revised actuarial memorandum and Exhibit 1, as noted below in the specific objections. The only revisions to the original actuarial memorandum are noted below.

#### Objection 1

Response is under separate cover.

#### Objection 2

Response is under separate cover.

#### Objection 3

The Policy Numbers for which the actuarial memorandum applies can now be found in the body of the revised actuarial memorandum.

#### Objection 4

The premiums under these Policy Form Numbers will be charged on an attained age basis. There are two attained age brackets. Children and Adults, where children are those individuals less than age 19 and adults are those individuals greater than or equal to age 19. This statement has been reflected in the revised actuarial memorandum. This Form can be issued to all ages.

#### Objection 5

The proposed implementation date of the rates is 1/1/2014, and the length of the rating period will be 12-months starting from the proposed implementation date. This statement has been reflected in the revised actuarial memorandum.

# Objection 6

There was a mistake in the table in the actuarial memorandum. The target loss ratio is in fact 30%, and the rates provided are based on a 30% loss ratio. The table below shows the correct retention allocation and is reflected in the revised actuarial memorandum.

Retention Elements	
Commissions	15.00%
Premium Taxes (S/F)	4.00%
Risk Margin	3.00%
Administration	8.00%
Total Retention	30.00%

#### Objection 7

Trend: The rates shown in the actuarial memo will be used for effective dates beginning in 2014. An annual trend factor, currently 4%, will be used to derive the premiums rates for effective dates beginning after 2014. This trend factor is currently based on a projected annual increase of 3% in dental prices and 1% in utilization rates. The primary drivers of trend for these dental Policy Forms are utilization and price. The spreadsheet provided shows approximately 3.5 years of dental experience and includes claims, premium, number of claims, and number of subscribers. From these data elements, as can be seen in the spreadsheet, utilization and price trend are developed and shown to be consistent with an average annual trend factor of 4%. This trend factor is derived only from medical trend components. There is assumed to be no impact on the trend factor from insurance trend. Since the policies are guaranteed issue there is no underwriting wear-off. For dental products the effects of deductible leveraging and annual maximum de-leveraging offset each other with respect to the impact on trend factors. As a new product there is no anticipated anti-selection due to discontinuance of new sales.

#### Objection 8

Credibility: Since this is a new product filing, there is currently no existing business in Colorado. The data discussed in the Trend section, as well as in the Data Requirements section of this memorandum is based on nationwide dental experience from the AWMS client base, and was used for the rate development of these Policy Forms. The underlying detailed experience is provided in the spreadsheet and is considered fully credible by Colorado's standards using either Life Years or Number of Claims. The average number of covered lives and number of claims underlying the experience used in the rate development of this Policy Form is in excess of 200,000 and 700,000 per year of experience, respectively.

## Objection 9

Data Requirements: Since this is a new product filing, there is currently no existing business in Colorado. The data discussed in the Trend section, as well as in the Credibility Requirements section of this memorandum is based on nationwide dental experience from the AWMS client base, and was used for the rate development of these Policy Forms. The underlying detailed experience is provided in the spreadsheet, and a summary of the detail is provided in table form here.

	(	Comparable F	Product - Indus	strywide Expe	rience (N	lational Experi	ence)	
Calendar	Earned	Incurred	Est. Incurred	Estimated	Loss	Ave. Covered	Ave. Covered	Number of
Year*	Premium	Claims	Claims	IBNR Claims	Ratio	Lives	Subscribers	Claims
2010	66,943,978	46,779,958	46,779,958	0	69.9%	191,662	91,268	639,439
2011	79,497,515	54,739,594	54,739,594	0	68.9%	217,405	103,526	734,805
2012	81,167,341	54,430,503	54,648,276	217,774	67.3%	214,564	102,173	723,051
2013*	33,967,876	18,426,335	23,160,209	4,733,873	68.2%	209,238	99,637	298,206
* 2013 is Ca	lendar Year to	date (1/1/2013	- 5/31/2013)					

# Objection 10

Since this is a new product filing for SeeChange Life Insurance Company, there is no requested rate change. Also, since this is an annually rated group policy the projected benefits ratio is expected to be equal to the pricing target loss ratio over the rating period as well as over subsequent rating periods, assuming trend increases occur over the subsequent rating periods. This statement has been added to the original statement in the revised actuarial memorandum.

I hope these responses adequately address your concerns. If you have any further questions or concerns, please let know. I can be reached at the phone number shown on the footer or by email at jeff@awms.net. Thank you for your consideration.

Sincerely,

William Jeffery DeCapua, ASA, MAAA

Wm J. De Grua

**Consulting Actuary** 

# **CONFIDENTIALITY INDEX**

#### REQUEST FOR CONFIDENTIAL OR PRIVILEGED STATUS

Please fill out this form and submit it with your filing of information or documents with the Colorado Division of Insurance in the event you are requesting confidential or privileged status for all or a portion of such information or documents. It is your responsibility to both claim and validate your request for confidential or privileged status for each <u>separate</u> portion of the information.

1. Identification of Party Requesting Confidential or Privileged Status:

Name: Daniel J. Boivin

Company: SeeChange Health Insurance Company, Inc.

Address: 10159 Wayzata Blvd.

Minneapolis, MN 55305

Email Address dboivin@seechangehealth.com

Telephone: 763-582-1260

Facsimile: 732-676-2637

2. Identification of information or documents for which confidential or privileged status is requested. All of the columns <u>must</u> be completed.

ID No.	Description of each different section or page	Date	Author	Recipient	Identify Confidentiality or Privilege Claimed (cite legal authority)	Reason why it applies
01	Rate Tables Dental	7/8/2013	William J. DeCapua	Colorado Division	§ 24-72-204(3)(a) C.R.S.	trade secret and confidential
	1000 1500 2000 p 5		'	of Insurance		commercial data.
02	Rate Tables Dental	7/8/2013	William J. DeCapua	Colorado Division	\$ 04.70.004(0)(-), 0.D.0	trade secret and confidential
	1000 1500 2000 p 6		William 3. DeCapua	of Insurance	§ 24-72-204(3)(a) C.R.S.	commercial data.
03	Rate Tables Dental	7/8/2013	William J. DeCapua	Colorado Division	§ 24-72-204(3)(a) C.R.S.	trade secret and confidential
	1000 1500 2000 p 7			of Insurance	3 24 72 204(0)(a) 0.14.0.	commercial data.
04	Rate Tables Dental	7/0/0040	MUU I D - O	Colorado Division	§ 24-72-204(3)(a) C.R.S.	trade secret and confidential
	Child Plan 1 2 p 4	7/8/2013	William J. DeCapua	of Insurance	3 2 <del>1-1 2-201(0)(α) 0.11.0.</del>	commercial data.
05	Rate Tables Dental	7/8/2013	William J. DeCapua	Colorado Division		trade secret and confidential
	Child Plan 1 2 p 5		Boodpaa	of Insurance	§ 24-72-204(3)(a) C.R.S.	commercial data.

Page c	of
--------	----

# **CONFIDENTIALITY INDEX**

ID No.	Description of each different section, page or paragraph	Date	Author	Recipient	Identify Confidentiality or Privilege Claimed (cite legal authority)	Reason why it applies
06	Rate Tables Dental Child Plan 1 2 p7	7/8/2013	William J. DeCapua	Colorado Division of Insurance	§ 24-72-204(3)(a) C.R.S.	trade secret and confidential commercial data
07	Rate Summary p 1 and 2	7/8/2013	William J. DeCapua	Colorado Division of Insurance	§ 24-72-204(3)(a) C.R.S.	trade secret and confidential commercial data
80				Colorado Division of Insurance		
09				Colorado Division of Insurance		
10				Colorado Division of Insurance		
11				Colorado Division of Insurance		
12				Colorado Division of Insurance		

Page 2 of 2



July 12, 2013

TO: Nichole Boggess

Colorado Department of Insurance

RE: SeeChange Health Insurance Company, Inc.

SERFF Tracking #: SHIC - 129076988

State Tracking #: 279017

Product Name: PPACA Dental Filing [1000, 1500, 2000]

Policy Form Numbers: 75099CO0300001, 75099CO0310001, 75099CO0290001,

75099CO0330001, and 75099CO0320001

#### Dear Nichole,

The following response is in reference to your Objection letter dated July 10, 2013 to Daniel Boivin. This response applies to Objections 1 and 2. Response to Objections 3 can be found under separate cover.

#### Objection 1

The rate calculation pages below provide the rate buildup for the following five Plan IDs referenced in this objection, and included on these pages are all associated rating factors applicable to each individual rate development.

- 75099CO0300001
- 75099CO0310001
- 75099CO0320001
- 75099CO0330001
- 75099CO0290001

In addition, the premium rate shown at the bottom of each of the five pages below, for each of these five Plan IDs, are the "statewide average" premium rates. These five statewide average premium rates are multiplied by the 11 regional area factors to arrive at the premium rates for each region within Colorado. This is shown in the provided spreadsheet, which has all active formulas and regional area factors. Then, the regional premium rates are applied to the tier structure factors (also shown in the spreadsheet with active formulas) to arrive at all of the final premium rates found in the rate / rule schedule.

## Objection 2

Provided in the regulation for the Benefits Ratio Projection there is a prescribed table. That table is found here with a simple projection of the benefits ratio over the rating period without a requested rate change, since this is a new product filing for SeeChange Life Insurance Company.

# **Benefits Ratio Projections**

		Incurred	Benefits
	Premiums	Claims	Ratio
Projected Experience Without Rate Change*	1,000,000	700,000	70%
Projected Experience With Rate Change	n/a	n/a	n/a

<sup>\*</sup> Based on anticipated Colorado experience.

I hope these responses adequately address your concerns. If you have any further questions or concerns, please let know. I can be reached at the phone number shown on the footer or by email at jeff@awms.net. Thank you for your consideration.

Sincerely,

William Jeffery DeCapua, ASA, MAAA

Wm J. De Grua

**Consulting Actuary** 

				Avera	ge Charge	es and U	tilization				
					Plan ID (750	99CO03000	001)				
In-Net	work					Out-Of-N	Network				
III-Net	WOIK	Child	Child	Child	Child	Out-Oi-i	Vetwork	Child	Child	Child	Child
Cat		Type Of	Average	Utilization		Cat		Type Of	Average	Utilization	
Code	Category of Service	Service	Charge	Per 1000	Cost	Code	Category of Service	Service	Charge	Per 1000	Cost
cl	Cleanings	A	52	706	37.00	cl	Cleanings	A	73	706	51.5
ex fl	Exams Fluoride	A A	33 25	1092 609	36.26 15.17	ex fl	Exams Fluoride	A A	51 34	1092 609	55.2 20.8
se	Sealants	A	37	263	9.86	se	Sealants	A	52	263	13.5
sm	Space Maintainers	В	266	6	1.73	sm	Space Maintainers	В	361	6	2.3
ер	Emergency Pain	В	64	2	0.14	ер	Emergency Pain	В	98	2	0.2
rb	Radiographs - Bitewings	Α	28	520	14.35	rb	Radiographs - Bitewings	Α	41	520	21.2
rf 	Radiographs - FMX	A	77	112	8.58	rf	Radiographs - FMX	A	108	112	12.1
fi of:	Restorations (Amalgams &	B B	101	302 29	30.52 4.01	fi cfi	Restorations (Amalgams &	B B	141	302 29	42.5
cfi sie	Restorations (Posterior Res Simple Extractions	В	139 123	102	12.57	sie	Restorations (Posterior Re Simple Extractions	В	189 140	102	5.4 14.2
sue	Surgical Extractions	В	406	72	29.30	sue	Surgical Extractions	В	431	72	31.1
os	Oral Surgery	C	446	4	1.65	os	Oral Surgery	C	400	4	
en	Endodontics	В	277	28	7.67	en	Endodontics	В	385	28	10.6
pm	Periodontal Maintenance	С	94	1	0.06	pm	Periodontal Maintenance	С	132	1	0.0
mip	Non-Surgical Periodontics	С	132	5	0.62	mip	Non-Surgical Periodontics	С	189	5	0.8
map	Surgical Periodontics	С	380	2	0.64	map	Surgical Periodontics	С	520	2	0.8
in on	Inlays	С	585	0	0.03	in	Inlays	С	842	0	0.0
on cr	Onlays Crowns	C b	711 310	16	0.14 4.95	on cr	Onlays Crowns	C b	1025 433	16	0.2 6.9
crr	Crown Repairs	С	66	1	0.04	crr	Crown Repairs	С	92	1	0.0
br	Bridges	C	638	0	0.28	br	Bridges	C	838	0	0.30
brr	Bridge Repairs	C	90	0	0.00	brr	Bridge Repairs	C	129	0	0.0
de	Dentures	С	1025	0	0.15	de	Dentures	С	1402	0	0.20
der	Denture Repairs	С	107	0	0.02	der	Denture Repairs	С	145	0	0.02
an	Anesthesia	С	268	39	10.44	an	Anesthesia	С	276	39	10.75
0	Orthodontic Coverage	D	4500	7.468	33.61	0	Orthodontic Coverage	D	4500	7.468	33.6
	In-Network						Out-Of-Network				
	III NOUWOIK	Child	Child	Child			Out of Network	Child	Child	Child	
		Total	Total	Total				Total	Total	Total	
		Annual	Annual	Monthly				Annual	Annual	Monthly	
	Service	CC	Util	CC			Service	CC	Util	CC	
	Class A	121.21	3302	10.10			Class A	174.54	3302	14.54	
	Class B	90.88		7.57			Class B	113.53	557	9.46	
	Class C	14.06		1.17			Class C	14.97	51	1.25	
	Class D (Ortho) Total	33.61 259.76	7 3918	2.80 21.65			Class D (Ortho) Total	33.61 336.64	3918	2.80 28.05	
	Total	239.70	3916	21.03			Total	330.04	3916	26.03	
Calcı	ılation	In-Netw							Network		
			-Network C						-of-Networl		
Step		Α	В	С	Ortho			Α	В	С	Ortho
1	Base Monthly Charges	10.101	7.573	1.172	2.801			14.545	9.461	1.247	2.801
2	Trend Adjustment	1.015	1.015	1.015	1.015			1.015	1.015	1.015	1.015
3	Sub-Total 1	10.252	7.687	1.189	2.842			14.763	9.602	1.266	2.842
4 5	Deductible Adjustment +/ Sub-Total 2	0.000 10.252	-1.205 6.482	-0.100 1.089	0.000 2.842			0.000 14.763	-1.205 8.397	-0.100 1.166	0.000 2.842
6	Plan Max Adjustment	1.000	1.000	1.000	1.000			1.000	1.000	1.000	1.000
7	Coinsurance Adjustment	1.000	0.820	0.000	1.000			1.000	0.820	0.000	1.000
8	Sub-Total 3	10.252	5.315	0.000	2.842			14.763	6.886	0.000	2.842
		In-Netw	ork					Out-of-Net	work		
		Child						Child	•		
9	Combined Sub-Total	18.41						24.49			
10	Penetration Assumption	0.308						0.692			
11	Sub-Total 4	5.671						16.947			
			Blended								
40		Child									
12	Blended In & Out Claim Co	22.62 0.00									
13 14	PPO pepm Fee	70.0%									
15	Expense Percentage Premium	70.0% 32.31	<u> </u>								
16	Manual Rates		Rates By Tie	er Structure	)						
		1 Tier	Per Child			32.31					
					Page	3 of 7					

				Avera	ge Charge	es and U	tilization				
					Plan ID (750	99CO03100	001)				
In-Net	work					Out-Of-I	Network				
III-Net	WOIK	Child	Child	Child	Child	Out-Oi-i	Vetwork	Child	Child	Child	Child
Cat		Type Of	Average	Utilization		Cat		Type Of	Average	Utilization	
Code	Category of Service	Service	Charge	Per 1000	Cost	Code	Category of Service	Service	Charge	Per 1000	Cost
cl	Cleanings	A	52	706	37.00	cl	Cleanings	A	73	706	51.5
ex fl	Exams Fluoride	A A	33 25	1092 609	36.26 15.17	ex fl	Exams Fluoride	A A	51 34	1092 609	55.2 20.8
ıı se	Sealants	A	37	263	9.86	se	Sealants	A	52	263	13.5
sm	Space Maintainers	В	266	6	1.73	sm	Space Maintainers	В	361	6	2.3
ер	Emergency Pain	В	64	2	0.14	ер	Emergency Pain	В	98	2	0.2
rb	Radiographs - Bitewings	Α	28	520	14.35	rb	Radiographs - Bitewings	Α	41	520	21.2
rf	Radiographs - FMX	Α	77	112	8.58	rf	Radiographs - FMX	Α	108	112	12.1
fi	Restorations (Amalgams &		101	302	30.52	fi	Restorations (Amalgams &		141	302	42.5
cfi	Restorations (Posterior Re		139	29	4.01	cfi	Restorations (Posterior Re	В	189	29	5.4
sie	Simple Extractions	В	123	102	12.57	sie	Simple Extractions	В	140	102	14.2
sue os	Surgical Extractions Oral Surgery	B C	406 446	72 4	29.30 1.65	sue	Surgical Extractions Oral Surgery	B C	431 400	72 4	31.1
en	Endodontics	В	277	28	7.67	en	Endodontics	В	385	28	10.6
pm	Periodontal Maintenance	C	94	1	0.06	pm	Periodontal Maintenance	C	132	1	0.0
mip	Non-Surgical Periodontics	C	132	5	0.62	mip	Non-Surgical Periodontics	C	189	5	0.8
map	Surgical Periodontics	C	380	2	0.64	map	Surgical Periodontics	C	520	2	0.8
in	Inlays	С	585	0	0.03	in	Inlays	С	842	0	0.0
on	Onlays	С	711	0	0.14	on	Onlays	С	1025	0	0.2
cr	Crowns	b	310	16	4.95	cr	Crowns	b	433	16	6.9
crr	Crown Repairs	С	66	1	0.04	crr	Crown Repairs	С	92	1	0.0
br	Bridges	С	638	0	0.28	br	Bridges	С	838	0	0.36
brr	Bridge Repairs	С	90	0	0.00	brr	Bridge Repairs	С	129	0	0.00
de	Dentures Denture Dencire	С	1025	0	0.15	de	Denture Densire	С	1402	0	0.20
der an	Denture Repairs Anesthesia	C C	107 268	0 39	0.02 10.44	der an	Denture Repairs Anesthesia	C	145 276	39	10.75
an 0	Orthodontic Coverage	D	4500	7.468	33.61	0	Orthodontic Coverage	D	4500	7.468	33.6
	Oranodonalo Conorago		.000	7.1.00	00.01		Oranouorano obrarago		.000		00.0
	In-Network						Out-Of-Network				
	III-Network	Child	Child	Child			Out-OI-Network	Child	Child	Child	
		Total	Total	Total				Total	Total	Total	
		Annual	Annual	Monthly				Annual	Annual	Monthly	
	Service	CC	Util	CC			Service	CC	Util	CC	
	Class A	121.21	3302	10.10			Class A	174.54	3302	14.54	
	Class B	90.88	557	7.57			Class B	113.53	557	9.46	
	Class C	14.06		1.17			Class C	14.97		1.25	
	Class D (Ortho)	33.61		2.80			Class D (Ortho)	33.61	7		
	Total	259.76	3918	21.65			Total	336.64	3918	28.05	
Calcu	ulation	In-Netw	ork/					Out-of-l	Network		
		In	-Network C	HILD				Out	t-of-Networl	k CHILD	
Step		Α	В	С	Ortho			Α	В	С	Ortho
1	Base Monthly Charges	10.101	7.573	1.172	2.801			14.545	9.461	1.247	2.801
2	Trend Adjustment	1.015	1.015	1.015	1.015			1.015	1.015	1.015	1.015
3	Sub-Total 1	10.252	7.687	1.189	2.842			14.763	9.602	1.266	2.842
4	Deductible Adjustment +/	0.000	-3.100	-0.260	0.000			0.000	-3.100	-0.260	0.000
5	Sub-Total 2	10.252	4.587	0.929	2.842			14.763	6.502	1.006	2.842
6	Plan Max Adjustment	1.000	1.000	1.000	1.000			1.000	1.000	1.000	1.000
7	Coinsurance Adjustment	1.000	0.520	0.000	1.000			1.000	0.520	0.000	1.000
8	Sub-Total 3	10.252	2.385	0.000	2.842			14.763	3.381	0.000	2.842
		In-Netw	ork					Out-of-Net	work		
		Child						Child			
9	Combined Sub-Total	15.48						20.99			
10	Penetration Assumption	0.308						0.692			
11	Sub-Total 4	4.769						14.522			
			Diamataat								
		Child	Blended								
12	Blended In & Out Claim Co	19.29									
13	PPO pepm Fee	0.00									
14	Expense Percentage	70.0%									
15	Premium	27.56									
16	Manual Rates	Manual I	Rates By Tie	er Structure			İ				
		1 Tier	Per Child			27.56					
					Page	e 4 of 7					
		-									

					ge Charge						
					Plan ID (7509	99CO03200	001)				
n-Netv	vork					Out-Of-N					
	VOIR	Adult	Adult	Adult	Adult	- Cut Oi i	l l l l l l l l l l l l l l l l l l l	Adult	Adult	Adult	Adult
Cat		Type Of	Average	Utilization		Cat		Type Of	Average	Utilization	Total An
Code	Category of Service	Service	Charge	Per 1000	Cost	Code	Category of Service	Service	Charge	Per 1000	Cost
cl	Cleanings	A	63	901	56.55	cl	Cleanings	A	86	901	77.8
ex	Exams	A	34	1032	35.12	ex	Exams	A	52	1032	53.4
1	Fluoride Sealants	n/a	26	55	1.43 0.00	fl	Fluoride Sealants	n/a	35 52	55	1.9
se sm	Space Maintainers	n/a n/a	37 240	0		se sm	Space Maintainers	n/a n/a	317	0	0.0
ep	Emergency Pain	В	64	8	0.53	ep	Emergency Pain	В	98	8	0.0
rb	Radiographs - Bitewings	A	28	809	22.65	rb	Radiographs - Bitewings	A	41	809	33.
f	Radiographs - FMX	A	81	153	12.30	rf	Radiographs - FMX	A	114	153	17.
fi	Restorations (Amalgams &	В	110	446	48.98	fi	Restorations (Amalgams &	В	152	446	
cfi	Restorations (Posterior Re	В	145	33	4.85	cfi	Restorations (Posterior Re	В	196	33	6.
sie	Simple Extractions	В	127	117	14.86	sie	Simple Extractions	В	146	117	17.
sue	Surgical Extractions	В	279	32	8.89	sue	Surgical Extractions	В	301	32	9.
os	Oral Surgery	В	252	2		os	Oral Surgery	В	331	2	
en	Endodontics	В	592	53	31.43	en	Endodontics	В	821	53	43.
om	Periodontal Maintenance	В	94	56		pm	Periodontal Maintenance	В	132	56	
nip	Non-Surgical Periodontics	В	135	82	11.05	mip	Non-Surgical Periodontics	В	194	82	
map	Surgical Periodontics	В	555	6		map	Surgical Periodontics	В	753	6	
n	Inlays	С	310	1	0.20	in	Inlays	С	444	1	0.:
on	Onlays	С	708	3		on	Onlays	С	1022	3	
cr	Crown Popoiro	C	574 66	142 12		cr	Crowns Popoiro	C	805 92	142 12	114.3
crr	Crown Repairs					crr	Crown Repairs				
or	Bridges Bridge Penairs	C	724 90	12 0	8.46 0.01	br	Bridges Bridge Penairs	C	992 129	12 0	
orr de	Bridge Repairs Dentures	C	90	10	9.34	brr de	Bridge Repairs Dentures	C	129	10	
der	Denture Repairs	C	135	7	0.93	der	Denture Repairs	C	183	7	
an	Anesthesia	В	231	10	2.19	an	Anesthesia	В	246	10	2.3
)	Orthodontic Coverage	D	0	15	0.00	0	Orthodontic Coverage	D	0	15	
	Orthodornio Covorage			.0	0.00		Orthodornio Cororage				<b></b>
	In Naturalla						Out Of Naturals				
	In-Network	Adult	Adult	Adult			Out-Of-Network	Adult	Adult	Adult	
		Total	Total	Total				Total	Total	Total	
		Annual	Annual	Monthly				Annual	Annual	Monthly	
	Service	CC	Util	CC			Service	CC	Util	CC	
	Class A	126.61		10.55			Class A	182.13		15.18	
	Class B	131.79		10.98			Class B	175.94	844	14.66	
	Class C	103.00		8.58			Class C	143.94	186	12.00	
	Class D (Ortho)	0.00		0.00			Class D (Ortho)	0.00	15	0.00	
	Total	361.40		30.12			Total	502.01	3940	41.83	
Calcu	ılation	In-Netw		DI II T					Network	ADIII T	
Step		A In-	-Network A B	C	Ortho			A Out-	of-Network B	C	Ortho
	Dana Marethle Observa										
1	Base Monthly Charges	10.551	10.982	8.583	0.000			15.177	14.662	11.995	0.000
2	Trend Adjustment	1.015	1.015	1.015	1.015			1.015	1.015	1.015	1.015
3	Sub-Total 1	10.709	11.147	8.712	0.000			15.405	14.881	12.175	0.000
4	Deductible Adjustment +/	0.000	-1.210	-0.470	0.000			0.000	-1.210	-0.470	0.000
5	Sub-Total 2	10.709	9.937	8.242	0.000			15.405	13.671	11.705	0.000
6	Plan Max Adjustment	1.000	1.000	1.450	1.800			1.000	1.000	1.450	1.800
7 8	Coinsurance Adjustment Sub-Total 3	1.000 10.709	0.900 8.943	0.600 7.170	0.500 0.000			0.900 13.864	0.700 9.570	0.500 8.486	0.500
	Sub-Total S	10.709	0.945	7.170	0.000			13.004	9.570	0.400	0.000
		In-Netw	ork					Out-of-Net	work		
		Adult						Adult			
9	Combined Sub-Total	26.82						31.92			
10	Penetration Assumption	0.364						0.636			
11	Sub-Total 4	9.755						20.311			
			Blended								
		Ee									
	Blended In & Out Claim Co	30.07									
13	PPO pepm Fee	0.60									
14 15	Expense Percentage Premium	70.0% 43.81									
		40.01									
40	Manual Dates	Manirel	Date o Pri T	n Chut							
16	Manual Rates		Rates By Tie Per Adult	er otructure		43.81					
		. 1101	. c. / wuit		Dogg	5 of 7					
					1 48	3 01 /					

					ge Charge						
					Plan ID (7509	99CO03300	001)				
n-Netv	work					Out-Of-	Network				
	-	Adult	Adult	Adult	Adult			Adult	Adult	Adult	Adult
Cat		Type Of	Average	Utilization	Total Ann	Cat		Type Of	Average	Utilization	Total Ann
Code	Category of Service	Service	Charge	Per 1000	Cost	Code	Category of Service	Service	Charge	Per 1000	Cost
ol .	Cleanings	A	63	901	56.55	cl	Cleanings	A	86	901	77.8
ex	Exams Fluoride	A n/a	34 26	1032 55	35.12 1.43	ex fl	Exams Fluoride	A n/a	52 35	1032 55	53.4 1.9
se	Sealants	n/a	37	0	0.00	se	Sealants	n/a	52	0	0.0
sm	Space Maintainers	n/a	240	0	0.00	sm	Space Maintainers	n/a	317	0	
ер	Emergency Pain	В	64	8	0.53	ер	Emergency Pain	В	98	8	0.8
rb	Radiographs - Bitewings	A	28	809	22.65	rb	Radiographs - Bitewings	A	41	809	33.5
rf	Radiographs - FMX	Α	81	153	12.30	rf	Radiographs - FMX	Α	114	153	17.3
fi	Restorations (Amalgams &	В	110	446	48.98	fi	Restorations (Amalgams &	В	152	446	67.6
cfi	Restorations (Posterior Re		145	33	4.85	cfi	Restorations (Posterior Re		196	33	6.5
sie	Simple Extractions	В	127	117	14.86	sie	Simple Extractions	В	146	117	17.0
sue	Surgical Extractions	В	279	32	8.89	sue	Surgical Extractions	В	301	32	9.6
os	Oral Surgery	В	252	2	0.44	os	Oral Surgery	В	331	2	0.5
en	Endodontics	В	592	53	31.43	en	Endodontics	В	821	53	43.6
om	Periodontal Maintenance	В	94	56	5.29	pm	Periodontal Maintenance	В	132	56	7.4
mip	Non-Surgical Periodontics	В	135	82	11.05	mip	Non-Surgical Periodontics	В	194	82	15.7
map	Surgical Periodontics	В	555	6	3.28	map	Surgical Periodontics	В	753	6	
in 	Inlays	С	310	1	0.20	in	Inlays	С	444	1	0.2
on	Onlays	С	708	142	1.80	on	Onlays	С	1022	142	
cr	Crown Popoirs	С	574	142	81.47	cr	Crowns Ropaire	С	805	142	114.3
crr	Crown Repairs	С	66	12	0.80	crr	Crown Repairs	С	92	12	1.1
br br	Bridges	C	724 90	12 0	8.46 0.01	br	Bridges Bridge Beneiro	C	992	12 0	11.5
brr de	Bridge Repairs  Dentures	C	90	10	9.34	brr de	Bridge Repairs Dentures	C	129 1291	10	0.0 12.7
der	Denture Repairs	C	135	7	0.93	der	Dentures Denture Repairs	C	183	7	
an	Anesthesia	В	231	10	2.19	an	Anesthesia	В	246	10	2.3
0	Orthodontic Coverage	D	0	15	0.00	0	Orthodontic Coverage	D	240	15	0.0
,	Offinoachino Coverage			10	0.00	Ľ	Citiodenile Coverage		Ŭ	10	0.0
	In-Network						Out-Of-Network				
		Adult	Adult	Adult				Adult	Adult	Adult	
		Total	Total	Total				Total	Total	Total	
		Annual	Annual	Monthly				Annual	Annual	Monthly	
	Service	CC	Util	CC			Service	CC	Util	CC	
	Class A	126.61		10.55			Class A	182.13		15.18	
	Class B	131.79		10.98			Class B	175.94	844	14.66	
	Class C	103.00		8.58			Class C	143.94	186	12.00	
	Class D (Ortho)	0.00		0.00			Class D (Ortho)	0.00	15	0.00	
	Total	361.40		30.12			Total	502.01	3940	41.83	
Calcu	ılation	In-Netw	ork					Out-of-I	Network		
		In	-Network A	DULT				Out-	of-Network	ADULT	
Step		Α	В	С	Ortho			Α	В	С	Ortho
1	Base Monthly Charges	10.551	10.982	8.583	0.000			15.177	14.662	11.995	0.000
2	Trend Adjustment	1.015	1.015	1.015	1.015			1.015	1.015	1.015	1.015
3	Sub-Total 1	10.709	11.147	8.712	0.000			15.405	14.881	12.175	0.000
4	Deductible Adjustment +/	0.000	-1.210	-0.470	0.000			0.000	-1.210	-0.470	0.000
5	Sub-Total 2	10.709	9.937	8.242	0.000			15.405	13.671	11.705	0.000
6	Plan Max Adjustment	1.000	1.000	1.250	1.800			1.000	1.000	1.250	1.800
7	Coinsurance Adjustment	1.000	0.800	0.500	0.500			0.800	0.600	0.500	0.500
8	Sub-Total 3	10.709	7.950	5.151	0.000			12.324	8.203	7.316	0.000
		In Natur									
		In-Netw Adult	OI K					Out-of-Net Adult	w OI K		
9	Combined Sub-Total	23.81						27.84			
10	Penetration Assumption	0.336						0.664			
11	Sub-Total 4	8.003						18.485			
			Blended								
		Ee	2.0.1000								
12	Blended In & Out Claim Co										
13	PPO pepm Fee	0.60									
14	Expense Percentage	70.0%									
15	Premium	38.70									
16	Manual Rates		Rates By Tie	er Structure							
		1 Tier	Per Adult		D	38.70	<u></u>				
					Page	6 of 7					
							00 < <b>5252</b> F (04				

					ge Charge						
					Plan ID (7509	99CO02900	001)				
n-Netv	vork					Out-Of-N	Network				
		Adult	Adult	Adult	Adult	<u> </u>		Adult	Adult	Adult	Adult
Cat		Type Of	Average	Utilization	Total Ann	Cat		Type Of	Average	Utilization	Total Ar
Code	Category of Service	Service	Charge	Per 1000	Cost	Code	Category of Service	Service	Charge	Per 1000	Cost
								_			
ol	Cleanings	A	63	901	56.55	cl	Cleanings	Α	86	901	77.
ex	Exams Fluoride	A n/o	34 26	1032	35.12 1.43	ex fl	Exams Fluoride	A	52 35	1032 55	53.4 1.5
e	Sealants	n/a n/a	37	55 0		se	Sealants	n/a n/a	52	0	0.
sm .	Space Maintainers	n/a	240	0		sm	Space Maintainers	n/a	317	0	0.
p p	Emergency Pain	В	64	8	0.53	ер	Emergency Pain	В	98	8	0.
b	Radiographs - Bitewings	A	28	809	22.65	rb	Radiographs - Bitewings	A	41	809	33.
f	Radiographs - FMX	Α	81	153	12.30	rf	Radiographs - FMX	Α	114	153	17
	Restorations (Amalgams &	В	110	446	48.98	fi	Restorations (Amalgams &	В	152	446	67.
:fi	Restorations (Posterior Res	В	145	33	4.85	cfi	Restorations (Posterior Re	В	196	33	6
ie	Simple Extractions	В	127	117	14.86	sie	Simple Extractions	В	146	117	17.
ue	Surgical Extractions	В	279	32	8.89	sue	Surgical Extractions	В	301	32	9.
s	Oral Surgery	В	252	2		os	Oral Surgery	В	331	2	0
n	Endodontics	В	592	53	31.43	en	Endodontics	В	821	53	43
m	Periodontal Maintenance	В	94	56		pm	Periodontal Maintenance	В	132	56	7
nip	Non-Surgical Periodontics	В	135	82	11.05	mip	Non-Surgical Periodontics	В	194	82	15
nap	Surgical Periodontics	В	555	6		map	Surgical Periodontics	В	753	6	4.
n n	Inlays	С	310	1	0.20	in	Inlays	C	444 1022	1	0
n	Onlays Crowns	C	708 574	3 142		on	Onlays Crowns	C	1022 805	1/12	2 114
r rr	Crowns Crown Repairs	C	66	142		cr crr	Crowns Crown Repairs	C	92	142 12	114
rr r	Bridges	C	724	12	0.80 8.46	br	Bridges	C	992	12	11
rr	Bridges Bridge Repairs	C	90	0		brr	Bridges Bridge Repairs	C	129	0	0
e	Dentures	C	946	10	9.34	de	Dentures	C	1291	10	12
er	Denture Repairs	C	135	7	0.93	der	Denture Repairs	C	183	7	12
n	Anesthesia	В	231	10	2.19	an	Anesthesia	В	246	10	2
	Orthodontic Coverage	D	0	15	0.00	0	Orthodontic Coverage	D	0	15	0
	g-				0.00						
	In-Network						Out-Of-Network				
	III NOUN OIK	Adult	Adult	Adult			Cut Of Notwork	Adult	Adult	Adult	
		Total	Total	Total				Total	Total	Total	
		Annual	Annual	Monthly				Annual	Annual	Monthly	
	Service	CC	Util	CC			Service	CC	Util	CC	
	Class A	126.61	2895	10.55			Class A	182.13	2895	15.18	
	Class B	131.79	844	10.98			Class B	175.94	844	14.66	
	Class C	103.00	186	8.58			Class C	143.94	186	12.00	
	Class D (Ortho)	0.00	15	0.00			Class D (Ortho)	0.00	15	0.00	
			3940	00.40							
	Total	361.40	3940	30.12			Total	502.01	3940	41.83	
Salcu	Ilation	361.40		30.12			Total		3940 Network	41.83	
Calcu		In-Netw					Total	Out-of-N			
Calcu Step		In-Netw	ork		Ortho		Total	Out-of-N	Network		Ortho
		In-Netw	ork -Network A	DULT	Ortho 0.000		Total	Out-of-N	Network of-Network	ADULT	Ortho 0.000
Step 1	ılation	In-Netw In-A	ork -Network A B	DULT C			Total	Out-of-N Out-	Network of-Network B	<b>ADULT</b>	0.000
Step 1 2	alation  Base Monthly Charges	In-Netw In- A 10.551	Ork -Network A B 10.982	DULT C 8.583	0.000		Total	Out-of-N Out- A 15.177	Network of-Network B 14.662	ADULT C 11.995	0.000
Step 1 2 3	Alation  Base Monthly Charges Trend Adjustment Sub-Total 1	In-Netw In-A 10.551 1.015	Ork -Network A B 10.982 1.015	DULT C 8.583 1.015	0.000 1.015		Total	Out-of-N Out- A 15.177 1.015	Network of-Network B 14.662 1.015	ADULT C 11.995 1.015	0.000 1.015 0.000
Step 1 2 3 4	Alation  Base Monthly Charges  Trend Adjustment	In-Netw In-A 10.551 1.015 10.709	Pork -Network A B 10.982 1.015 11.147	DULT C 8.583 1.015 8.712	0.000 1.015 0.000		Total	Out-of-N Out- A 15.177 1.015 15.405	Network of-Network B 14.662 1.015 14.881	ADULT C 11.995 1.015 12.175	0.000 1.015 0.000 0.000
Step 1 2 3 4 5	Base Monthly Charges Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2	In-Netw In-A 10.551 1.015 10.709 0.000 10.709	Pork  Network A  B 10.982 1.015 11.147 -1.210 9.937	DULT C 8.583 1.015 8.712 -0.470 8.242	0.000 1.015 0.000 0.000 0.000		Total	Out-of-N Out- A 15.177 1.015 15.405 0.000 15.405	Network of-Network B 14.662 1.015 14.881 -1.210 13.671	ADULT C 11.995 1.015 12.175 -0.470 11.705	0.000 1.015 0.000 0.000 0.000
Step 1 2 3 4 5	Base Monthly Charges Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment	In-Netw In-A 10.551 1.015 10.709 0.000 10.709 1.000	Pork  -Network A  B  10.982  1.015  11.147  -1.210  9.937  1.000	DULT C 8.583 1.015 8.712 -0.470 8.242 0.860	0.000 1.015 0.000 0.000 0.000 1.800		Total	Out-of-N Out- A 15.177 1.015 15.405 0.000 15.405 1.000	Network of-Network B 14.662 1.015 14.881 -1.210 13.671 1.000	ADULT C 11.995 1.015 12.175 -0.470 11.705 0.860	0.000 1.015 0.000 0.000 0.000 1.800
Step 1 2 3 4 5 6	Base Monthly Charges Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2	In-Netw In-A 10.551 1.015 10.709 0.000 10.709	Pork  Network A  B 10.982 1.015 11.147 -1.210 9.937	DULT C 8.583 1.015 8.712 -0.470 8.242	0.000 1.015 0.000 0.000 0.000		Total	Out-of-N Out- A 15.177 1.015 15.405 0.000 15.405	Network of-Network B 14.662 1.015 14.881 -1.210 13.671	ADULT C 11.995 1.015 12.175 -0.470 11.705	
Step 1 2 3 4 5 6 7	Base Monthly Charges Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment	In-Netw In-A 10.551 1.015 10.709 0.000 10.709 1.000 1.000 10.709	10.982 1.015 11.147 -1.210 9.937 1.000 0.700 6.956	DULT C 8.583 1.015 8.712 -0.470 8.242 0.860 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500		Total	Out-of-N Out-A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324	Network of-Network B 14.662 1.015 14.881 -1.210 13.671 1.000 0.500 6.836	ADULT C 11.995 1.015 12.175 -0.470 11.705 0.860 0.500	0.000 1.019 0.000 0.000 0.000 1.800 0.500
Step 1 2 3 4 5 6	Base Monthly Charges Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment	In-Netw In-A 10.551 1.015 10.709 0.000 10.709 1.000 1.000 10.709 In-Netw	10.982 1.015 11.147 -1.210 9.937 1.000 0.700 6.956	DULT C 8.583 1.015 8.712 -0.470 8.242 0.860 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500		Total	Out-of-N Out-A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Netv	Network of-Network B 14.662 1.015 14.881 -1.210 13.671 1.000 0.500 6.836	ADULT C 11.995 1.015 12.175 -0.470 11.705 0.860 0.500	0.000 1.019 0.000 0.000 0.000 1.800 0.500
Step 1 2 3 4 5 6 7 8	Base Monthly Charges Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3	In-Netw In-A A 10.551 1.015 10.709 0.000 10.709 1.000 1.000 10.709 In-Netw Adult	10.982 1.015 11.147 -1.210 9.937 1.000 0.700 6.956	DULT C 8.583 1.015 8.712 -0.470 8.242 0.860 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500		Total	Out-of-Netvorted	Network of-Network B 14.662 1.015 14.881 -1.210 13.671 1.000 0.500 6.836	ADULT C 11.995 1.015 12.175 -0.470 11.705 0.860 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500
Step 1 2 3 4 5 6 7 8	Base Monthly Charges Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3  Combined Sub-Total	In-Netw In-A 10.551 1.015 10.709 0.000 10.709 1.000 1.000 10.709 In-Netw Adult 21.21	10.982 1.015 11.147 -1.210 9.937 1.000 0.700 6.956	DULT C 8.583 1.015 8.712 -0.470 8.242 0.860 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500		Total	Out-of-Net Adult 24.19	Network of-Network B 14.662 1.015 14.881 -1.210 13.671 1.000 0.500 6.836	ADULT C 11.995 1.015 12.175 -0.470 11.705 0.860 0.500	0.000 1.019 0.000 0.000 0.000 1.800 0.500
Step 1 2 3 4 5 6 7 8	Base Monthly Charges Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3	In-Netw In-A A 10.551 1.015 10.709 0.000 10.709 1.000 1.000 10.709 In-Netw Adult	10.982 1.015 11.147 -1.210 9.937 1.000 0.700 6.956	DULT C 8.583 1.015 8.712 -0.470 8.242 0.860 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500		Total	Out-of-Netvorted	Network of-Network B 14.662 1.015 14.881 -1.210 13.671 1.000 0.500 6.836	ADULT C 11.995 1.015 12.175 -0.470 11.705 0.860 0.500	0.00 1.01 0.00 0.00 0.00 1.80 0.50
1 2 3 4 5 6 7 8	Base Monthly Charges Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3  Combined Sub-Total Penetration Assumption	In-Netw In-A 10.551 1.015 10.709 0.000 10.709 1.000 1.000 10.709 In-Netw Adult 21.21 0.341	Pork  -Network A  B 10.982 1.015 11.147 -1.210 9.937 1.000 0.700 6.956	DULT C 8.583 1.015 8.712 -0.470 8.242 0.860 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500		Total	Out-of-Nets A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Nets Adult 24.19 0.659	Network of-Network B 14.662 1.015 14.881 -1.210 13.671 1.000 0.500 6.836	ADULT C 11.995 1.015 12.175 -0.470 11.705 0.860 0.500	0.00 1.01 0.00 0.00 0.00 1.80 0.50
1 2 3 4 5 6 7 8	Base Monthly Charges Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3  Combined Sub-Total Penetration Assumption	In-Netw In-A 10.551 1.015 10.709 0.000 10.709 1.000 1.000 10.709 In-Netw Adult 21.21 0.341	10.982 1.015 11.147 -1.210 9.937 1.000 0.700 6.956	DULT C 8.583 1.015 8.712 -0.470 8.242 0.860 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500		Total	Out-of-Nets A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Nets Adult 24.19 0.659	Network of-Network B 14.662 1.015 14.881 -1.210 13.671 1.000 0.500 6.836	ADULT C 11.995 1.015 12.175 -0.470 11.705 0.860 0.500	0.00 1.01 0.00 0.00 0.00 1.80 0.50
1 2 3 4 4 5 6 6 7 8 8 9 10 11	Base Monthly Charges Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3  Combined Sub-Total Penetration Assumption Sub-Total 4  Blended In & Out Claim Co	In-Netw In-A 10.551 1.015 10.709 0.000 10.709 1.000 1.000 1.000 10.709 In-Netw Adult 21.21 0.341 7.223	Pork  -Network A  B 10.982 1.015 11.147 -1.210 9.937 1.000 0.700 6.956	DULT C 8.583 1.015 8.712 -0.470 8.242 0.860 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500		Total	Out-of-Nets A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Nets Adult 24.19 0.659	Network of-Network B 14.662 1.015 14.881 -1.210 13.671 1.000 0.500 6.836	ADULT C 11.995 1.015 12.175 -0.470 11.705 0.860 0.500	0.00 1.01 0.00 0.00 0.00 1.80 0.50
9 10 11 12 3 4 5 6 7 8	Base Monthly Charges Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3  Combined Sub-Total Penetration Assumption Sub-Total 4  Blended In & Out Claim Co	In-Netw In A 10.551 1.015 10.709 0.000 10.709 1.000 1.000 10.709 In-Netw Adult 21.21 0.341 7.223  Ee 23.18 0.60	Pork  -Network A  B 10.982 1.015 11.147 -1.210 9.937 1.000 0.700 6.956	DULT C 8.583 1.015 8.712 -0.470 8.242 0.860 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500		Total	Out-of-Nets A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Nets Adult 24.19 0.659	Network of-Network B 14.662 1.015 14.881 -1.210 13.671 1.000 0.500 6.836	ADULT C 11.995 1.015 12.175 -0.470 11.705 0.860 0.500	0.000 1.013 0.000 0.000 0.000 1.800 0.500
9 10 11 12 13 14	Base Monthly Charges Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3  Combined Sub-Total Penetration Assumption Sub-Total 4  Blended In & Out Claim Co PPO pepm Fee Expense Percentage	In-Netw In-A 10.551 1.015 10.709 0.000 10.709 1.000 10.709 In-Netw Adult 21.21 0.341 7.223  Ee 23.18 0.60 70.0%	Pork  -Network A  B 10.982 1.015 11.147 -1.210 9.937 1.000 0.700 6.956	DULT C 8.583 1.015 8.712 -0.470 8.242 0.860 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500		Total	Out-of-Nets A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Nets Adult 24.19 0.659	Network of-Network B 14.662 1.015 14.881 -1.210 13.671 1.000 0.500 6.836	ADULT C 11.995 1.015 12.175 -0.470 11.705 0.860 0.500	0.000 1.013 0.000 0.000 0.000 1.800 0.500
9 10 11 12 13 14 15 66 7 8	Base Monthly Charges Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3  Combined Sub-Total Penetration Assumption Sub-Total 4  Blended In & Out Claim Co	In-Netw In A 10.551 1.015 10.709 0.000 10.709 1.000 1.000 10.709 In-Netw Adult 21.21 0.341 7.223  Ee 23.18 0.60	Pork  -Network A  B 10.982 1.015 11.147 -1.210 9.937 1.000 0.700 6.956	DULT C 8.583 1.015 8.712 -0.470 8.242 0.860 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500		Total	Out-of-Nets A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Nets Adult 24.19 0.659	Network of-Network B 14.662 1.015 14.881 -1.210 13.671 1.000 0.500 6.836	ADULT C 11.995 1.015 12.175 -0.470 11.705 0.860 0.500	0.000 1.019 0.000 0.000 0.000 1.800 0.500
Step 1 2 3 4 5 6 7 8 9 10 11 11 12 13 14 15	Base Monthly Charges Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3  Combined Sub-Total Penetration Assumption Sub-Total 4  Blended In & Out Claim Co PPO pepm Fee Expense Percentage Premium	In-Netw A 10.551 1.015 10.709 0.000 10.709 1.000 1.000 1.0709 In-Netw Adult 7.223  Ee 23.18 0.60 70.0% 33.97	Pork  -Network A  B 10.982 1.015 11.147 -1.210 9.937 1.000 0.700 6.956	DULT C 8.583 1.015 8.712 -0.470 8.242 0.860 0.500 3.544	0.000 1.015 0.000 0.000 0.000 1.800 0.500 0.000		Total	Out-of-Nets A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Nets Adult 24.19 0.659	Network of-Network B 14.662 1.015 14.881 -1.210 13.671 1.000 0.500 6.836	ADULT C 11.995 1.015 12.175 -0.470 11.705 0.860 0.500	0.000 1.013 0.000 0.000 0.000 1.800 0.500
Step 1 2 3 4 5 6 7 8 9 10 11 11 12 13 14 15	Base Monthly Charges Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3  Combined Sub-Total Penetration Assumption Sub-Total 4  Blended In & Out Claim Co PPO pepm Fee Expense Percentage	In-Netw In-A 10.551 1.015 10.709 0.000 10.709 1.000 1.000 10.709 In-Netw Adult 21.21 0.341 7.223  Ee 23.18 0.60 70.0% 33.97	Pork  Network A  B 10.982 1.015 11.147 -1.210 9.937 1.000 0.700 6.956  Ork  Blended	DULT C 8.583 1.015 8.712 -0.470 8.242 0.860 0.500 3.544	0.000 1.015 0.000 0.000 0.000 1.800 0.500 0.000	33 97	Total	Out-of-Nets A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Nets Adult 24.19 0.659	Network of-Network B 14.662 1.015 14.881 -1.210 13.671 1.000 0.500 6.836	ADULT C 11.995 1.015 12.175 -0.470 11.705 0.860 0.500	0.000 1.013 0.000 0.000 0.000 1.800 0.500
Step 1 2 3 4 5 6 7 8 9 10 11 11 12 13 14 15	Base Monthly Charges Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3  Combined Sub-Total Penetration Assumption Sub-Total 4  Blended In & Out Claim Co PPO pepm Fee Expense Percentage Premium	In-Netw In-A 10.551 1.015 10.709 0.000 10.709 1.000 1.000 10.709 In-Netw Adult 21.21 0.341 7.223  Ee 23.18 0.60 70.0% 33.97	Pork  -Network A  B 10.982 1.015 11.147 -1.210 9.937 1.000 0.700 6.956	DULT C 8.583 1.015 8.712 -0.470 8.242 0.860 0.500 3.544	0.000 1.015 0.000 0.000 0.000 1.800 0.500 0.000	33.97 7 of 7	Total	Out-of-Nets A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Nets Adult 24.19 0.659	Network of-Network B 14.662 1.015 14.881 -1.210 13.671 1.000 0.500 6.836	ADULT C 11.995 1.015 12.175 -0.470 11.705 0.860 0.500	0.00 1.01 0.00 0.00 0.00 1.80 0.50



July 12, 2013

TO: Nichole Boggess

Colorado Department of Insurance

RE: SeeChange Health Insurance Company, Inc.

SERFF Tracking #: SHIC - 129076988

State Tracking #: 279017

Product Name: PPACA Dental Filing [1000, 1500, 2000]

Policy Form Numbers: 75099CO0300001, 75099CO0310001, 75099CO0290001,

75099CO0330001, and 75099CO0320001

#### Dear Nichole,

The following response is in reference to your Objection letter dated July 10, 2013 to Daniel Boivin. This response applies to Objections 1 and 2. Response to Objections 3 can be found under separate cover.

#### Objection 1

The rate calculation pages below provide the rate buildup for the following five Plan IDs referenced in this objection, and included on these pages are all associated rating factors applicable to each individual rate development.

- 75099CO0300001
- 75099CO0310001
- 75099CO0320001
- 75099CO0330001
- 75099CO0290001

In addition, the premium rate shown at the bottom of each of the five pages below, for each of these five Plan IDs, are the "statewide average" premium rates. These five statewide average premium rates are multiplied by the 11 regional area factors to arrive at the premium rates for each region within Colorado. This is shown in the provided spreadsheet, which has all active formulas and regional area factors. Then, the regional premium rates are applied to the tier structure factors (also shown in the spreadsheet with active formulas) to arrive at all of the final premium rates found in the rate / rule schedule.

## Objection 2

Provided in the regulation for the Benefits Ratio Projection there is a prescribed table. That table is found here with a simple projection of the benefits ratio over the rating period without a requested rate change, since this is a new product filing for SeeChange Life Insurance Company.

# **Benefits Ratio Projections**

		Incurred	Benefits
	Premiums	Claims	Ratio
Projected Experience Without Rate Change*	1,000,000	700,000	70%
Projected Experience With Rate Change	n/a	n/a	n/a

<sup>\*</sup> Based on anticipated Colorado experience.

I hope these responses adequately address your concerns. If you have any further questions or concerns, please let know. I can be reached at the phone number shown on the footer or by email at jeff@awms.net. Thank you for your consideration.

Sincerely,

William Jeffery DeCapua, ASA, MAAA

Wm J. De Grua

**Consulting Actuary** 

					ge Charge						
					Plan ID (7509	99CO03000	001)				
n-Netv	vork					Out-Of-N	Network				
	VOIR	Child	Child	Child	Child	Out Oi i	lota on K	Child	Child	Child	Child
Cat		Type Of	Average	Utilization	Total Ann	Cat		Type Of	Average	Utilization	Total An
Code	Category of Service	Service	Charge	Per 1000	Cost	Code	Category of Service	Service	Charge	Per 1000	Cost
ol	Cleanings	A	52	706	37.00	cl	Cleanings	A	73	706	51.5
ex	Exams	A	33	1092	36.26	ex	Exams	A	51	1092	55.2
1	Fluoride Sealants	A	25 37	609	15.17	fl	Fluoride Sealants	A	34 52	609	20.8
se sm	Space Maintainers	A B	266	263 6	9.86 1.73	se sm	Space Maintainers	A B	361	263 6	13.
ep	Emergency Pain	В	64	2	0.14	ep	Emergency Pain	В	98	2	0.2
rb	Radiographs - Bitewings	A	28	520	14.35	rb	Radiographs - Bitewings	A	41	520	21.2
f	Radiographs - FMX	A	77	112	8.58	rf	Radiographs - FMX	A	108	112	12.
i	Restorations (Amalgams &	В	101	302	30.52	fi	Restorations (Amalgams &	В	141	302	42.
cfi	Restorations (Posterior Re	В	139	29	4.01	cfi	Restorations (Posterior Re	В	189	29	5
sie	Simple Extractions	В	123	102	12.57	sie	Simple Extractions	В	140	102	14.:
sue	Surgical Extractions	В	406	72	29.30	sue	Surgical Extractions	В	431	72	31.
os	Oral Surgery	С	446	4	1.65	os	Oral Surgery	С	400	4	1.4
en	Endodontics	В	277	28	7.67	en	Endodontics	В	385	28	10.
om	Periodontal Maintenance	С	94	1	0.06	pm	Periodontal Maintenance	С	132	1	0.0
	Non-Surgical Periodontics	С	132	5	0.62	mip	Non-Surgical Periodontics	С	189	5	0.8
map	Surgical Periodontics	С	380	2	0.64	map	Surgical Periodontics	С	520	2	0.8
n	Inlays	С	585	0	0.03	in	Inlays	С	842	0	0.
on	Onlays	С	711	0	0.14	on	Onlays	С	1025	0	0.3
or 	Crowns Banaira	b	310	16	4.95	cr	Crowns Danaira	b	433	16	6.
crr	Crown Repairs	С	66	1	0.04	crr	Crown Repairs	С	92	1	0.0
or	Bridges	С	638	0	0.28	br	Bridges	С	838	0	0.:
orr	Bridge Repairs	С	90	0	0.00	brr	Bridge Repairs	С	129	0	0.0
de	Dentures Dentures	С	1025	0	0.15	de	Dentures	С	1402	0	0.2
der	Denture Repairs	С	107	0	0.02	der	Denture Repairs	С	145	0 39	0.0
an o	Anesthesia Orthodontic Coverage	C D	268 4500	39 7.468	10.44 33.61	an o	Anesthesia Orthodontic Coverage	C D	276 4500	7.468	10.1 33.0
,	Offinodoffiic Coverage	U	4500	7.400	33.01	U	Onnodonnic Coverage	U	4300	7.400	33.1
	In-Network						Out-Of-Network				
- 1		Child	Child	Child				Child	Child	Child	
		Total	Total	Total				Total	Total	Total	
		Annual	Annual	Monthly				Annual	Annual	Monthly	
	Service	CC	Util	CC			Service	CC	Util	CC	
	Class A	121.21		10.10			Class A	174.54		14.54	
	Class B	90.88		7.57			Class B	113.53	557	9.46	
	Class C	14.06		1.17			Class C	14.97	51	1.25	
	Class D (Ortho)	33.61	7	2.80			Class D (Ortho)	33.61	7	2.80	
	Total	259.76		21.65			Total	336.64	3918	28.05	
Calcu	lation	In-Netw		uu b					Network	- CIIII D	
Step		A	-Network C B	С	Ortho			A	-of-Networl B	С	Ortho
	Dana Marathly Observes										
	Base Monthly Charges	10.101	7.573	1.172	2.801			14.545	9.461	1.247	2.801
	Trend Adjustment	1.015	1.015	1.015	1.015			1.015	1.015	1.015	1.015
	Sub-Total 1	10.252	7.687	1.189	2.842			14.763	9.602	1.266	2.842
	Deductible Adjustment +/	0.000	-1.205	-0.100	0.000			0.000	-1.205	-0.100	0.000
	Sub-Total 2	10.252	6.482	1.089	2.842			14.763	8.397	1.166	2.842
	Plan Max Adjustment	1.000	1.000	1.000	1.000			1.000	1.000	1.000	1.000
	Coinsurance Adjustment Sub-Total 3	1.000 10.252	0.820 5.315	0.000	1.000 2.842			1.000 14.763	0.820 6.886	0.000	1.000 2.842
	Sub-Total S	10.232	3.313	0.000	2.042			14.703	0.000	0.000	2.042
0								Out-of-Net	work		
0		In-Netwo	ork					Child			
	Combined Sub Tatal	Child	ork					Child			
9	Combined Sub-Total	Child 18.41	ork					24.49			
9	Combined Sub-Total Penetration Assumption Sub-Total 4	Child	ork								
9	Penetration Assumption	Child 18.41 0.308						24.49 0.692			
9	Penetration Assumption	Child 18.41 0.308	ork Blended					24.49 0.692			
9 10 11	Penetration Assumption Sub-Total 4 Blended In & Out Claim Co	Child 18.41 0.308 5.671 Child 22.62						24.49 0.692			
9 10 11	Penetration Assumption Sub-Total 4  Blended In & Out Claim Co PPO pepm Fee	Child 18.41 0.308 5.671 Child 22.62 0.00						24.49 0.692			
9 10 11 12 13 14	Penetration Assumption Sub-Total 4  Blended In & Out Claim Co PPO pepm Fee Expense Percentage	Child 18.41 0.308 5.671 Child 22.62 0.00 70.0%						24.49 0.692			
9 10 11 12 13 14	Penetration Assumption Sub-Total 4  Blended In & Out Claim Co PPO pepm Fee	Child 18.41 0.308 5.671 Child 22.62 0.00						24.49 0.692			
9 10 11 12 13 14 15	Penetration Assumption Sub-Total 4  Blended In & Out Claim Cc PPO pepm Fee Expense Percentage Premium	Child 18.41 0.308 5.671 Child 22.62 0.00 70.0% 32.31	Blended	er Structure				24.49 0.692			
9 10 11 12 13 14 15	Penetration Assumption Sub-Total 4  Blended In & Out Claim Co PPO pepm Fee Expense Percentage	Child 18.41 0.308 5.671 Child 22.62 0.00 70.0% 32.31		er Structure		32.31 32.31 of 7		24.49 0.692			

				Avera	ge Charge	es and U	tilization				
					Plan ID (750	99CO03100	001)				
In-Net	work					Out-Of-I	Network				
III-Net	WOIK	Child	Child	Child	Child	Out-Oi-i	Vetwork	Child	Child	Child	Child
Cat		Type Of	Average	Utilization		Cat		Type Of	Average	Utilization	
Code	Category of Service	Service	Charge	Per 1000	Cost	Code	Category of Service	Service	Charge	Per 1000	Cost
cl	Cleanings	A	52	706	37.00	cl	Cleanings	A	73	706	51.5
ex fl	Exams Fluoride	A A	33 25	1092 609	36.26 15.17	ex fl	Exams Fluoride	A A	51 34	1092 609	55.2 20.8
ıı se	Sealants	A	37	263	9.86	se	Sealants	A	52	263	13.5
sm	Space Maintainers	В	266	6	1.73	sm	Space Maintainers	В	361	6	2.3
ер	Emergency Pain	В	64	2	0.14	ер	Emergency Pain	В	98	2	0.2
rb	Radiographs - Bitewings	Α	28	520	14.35	rb	Radiographs - Bitewings	Α	41	520	21.2
rf	Radiographs - FMX	Α	77	112	8.58	rf	Radiographs - FMX	Α	108	112	12.1
fi	Restorations (Amalgams &		101	302	30.52	fi	Restorations (Amalgams &		141	302	42.5
cfi	Restorations (Posterior Re		139	29	4.01	cfi	Restorations (Posterior Re	В	189	29	5.4
sie	Simple Extractions	В	123	102	12.57	sie	Simple Extractions	В	140	102	14.2
sue os	Surgical Extractions Oral Surgery	B C	406 446	72 4	29.30 1.65	sue	Surgical Extractions Oral Surgery	B C	431 400	72 4	31.1
en	Endodontics	В	277	28	7.67	en	Endodontics	В	385	28	10.6
pm	Periodontal Maintenance	C	94	1	0.06	pm	Periodontal Maintenance	C	132	1	0.0
mip	Non-Surgical Periodontics	C	132	5	0.62	mip	Non-Surgical Periodontics	C	189	5	0.8
map	Surgical Periodontics	C	380	2	0.64	map	Surgical Periodontics	C	520	2	0.8
in	Inlays	С	585	0	0.03	in	Inlays	С	842	0	0.0
on	Onlays	С	711	0	0.14	on	Onlays	С	1025	0	0.2
cr	Crowns	b	310	16	4.95	cr	Crowns	b	433	16	6.9
crr	Crown Repairs	С	66	1	0.04	crr	Crown Repairs	С	92	1	0.0
br	Bridges	С	638	0	0.28	br	Bridges	С	838	0	0.36
brr	Bridge Repairs	С	90	0	0.00	brr	Bridge Repairs	С	129	0	0.00
de	Dentures Denture Dencire	С	1025	0	0.15	de	Denture Densire	С	1402	0	0.20
der an	Denture Repairs Anesthesia	C C	107 268	0 39	0.02 10.44	der an	Denture Repairs Anesthesia	C	145 276	39	10.75
an 0	Orthodontic Coverage	D	4500	7.468	33.61	0	Orthodontic Coverage	D	4500	7.468	33.6
	Oranodonalo Conorago		.000	7.1.00	00.01		Oranouorano obrarago		.000		00.0
	In-Network						Out-Of-Network				
	III-Network	Child	Child	Child			Out-OI-Network	Child	Child	Child	
		Total	Total	Total				Total	Total	Total	
		Annual	Annual	Monthly				Annual	Annual	Monthly	
	Service	CC	Util	CC			Service	CC	Util	CC	
	Class A	121.21	3302	10.10			Class A	174.54	3302	14.54	
	Class B	90.88	557	7.57			Class B	113.53	557	9.46	
	Class C	14.06		1.17			Class C	14.97		1.25	
	Class D (Ortho)	33.61		2.80			Class D (Ortho)	33.61	7		
	Total	259.76	3918	21.65			Total	336.64	3918	28.05	
Calcu	ulation	In-Netw	ork/					Out-of-l	Network		
		In	-Network C	HILD				Out	t-of-Networl	k CHILD	
Step		Α	В	С	Ortho			Α	В	С	Ortho
1	Base Monthly Charges	10.101	7.573	1.172	2.801			14.545	9.461	1.247	2.801
2	Trend Adjustment	1.015	1.015	1.015	1.015			1.015	1.015	1.015	1.015
3	Sub-Total 1	10.252	7.687	1.189	2.842			14.763	9.602	1.266	2.842
4	Deductible Adjustment +/	0.000	-3.100	-0.260	0.000			0.000	-3.100	-0.260	0.000
5	Sub-Total 2	10.252	4.587	0.929	2.842			14.763	6.502	1.006	2.842
6	Plan Max Adjustment	1.000	1.000	1.000	1.000			1.000	1.000	1.000	1.000
7	Coinsurance Adjustment	1.000	0.520	0.000	1.000			1.000	0.520	0.000	1.000
8	Sub-Total 3	10.252	2.385	0.000	2.842			14.763	3.381	0.000	2.842
		In-Netw	ork					Out-of-Net	work		
		Child						Child			
9	Combined Sub-Total	15.48						20.99			
10	Penetration Assumption	0.308						0.692			
11	Sub-Total 4	4.769						14.522			
			Diamataat								
		Child	Blended								
12	Blended In & Out Claim Co	19.29									
13	PPO pepm Fee	0.00									
14	Expense Percentage	70.0%									
15	Premium	27.56									
16	Manual Rates	Manual I	Rates By Tie	er Structure			İ				
		1 Tier	Per Child			27.56					
					Page	e 4 of 7					
		-									

					ge Charge						
					Plan ID (7509	99CO03200	001)				
n-Netv	vork					Out-Of-N					
	VOIR	Adult	Adult	Adult	Adult	- Cut Oi i	l l l l l l l l l l l l l l l l l l l	Adult	Adult	Adult	Adult
Cat		Type Of	Average	Utilization		Cat		Type Of	Average	Utilization	Total An
Code	Category of Service	Service	Charge	Per 1000	Cost	Code	Category of Service	Service	Charge	Per 1000	Cost
cl	Cleanings	A	63	901	56.55	cl	Cleanings	A	86	901	77.8
ex	Exams	A	34	1032	35.12	ex	Exams	A	52	1032	53.4
1	Fluoride Sealants	n/a	26	55	1.43 0.00	fl	Fluoride Sealants	n/a	35 52	55	1.9
se sm	Space Maintainers	n/a n/a	37 240	0		se sm	Space Maintainers	n/a n/a	317	0	0.0
ep	Emergency Pain	В	64	8	0.53	ep	Emergency Pain	В	98	8	0.0
rb	Radiographs - Bitewings	A	28	809	22.65	rb	Radiographs - Bitewings	A	41	809	33.
f	Radiographs - FMX	A	81	153	12.30	rf	Radiographs - FMX	A	114	153	17.
fi	Restorations (Amalgams &	В	110	446	48.98	fi	Restorations (Amalgams &	В	152	446	
cfi	Restorations (Posterior Re	В	145	33	4.85	cfi	Restorations (Posterior Re	В	196	33	6.
sie	Simple Extractions	В	127	117	14.86	sie	Simple Extractions	В	146	117	17.
sue	Surgical Extractions	В	279	32	8.89	sue	Surgical Extractions	В	301	32	9.
os	Oral Surgery	В	252	2		os	Oral Surgery	В	331	2	
en	Endodontics	В	592	53	31.43	en	Endodontics	В	821	53	43.
om	Periodontal Maintenance	В	94	56		pm	Periodontal Maintenance	В	132	56	
nip	Non-Surgical Periodontics	В	135	82	11.05	mip	Non-Surgical Periodontics	В	194	82	
map	Surgical Periodontics	В	555	6		map	Surgical Periodontics	В	753	6	
n	Inlays	С	310	1	0.20	in	Inlays	С	444	1	0.:
on	Onlays	С	708	3		on	Onlays	С	1022	3	
cr	Crown Popoiro	C	574 66	142 12		cr	Crowns Popoiro	C	805 92	142 12	114.3
crr	Crown Repairs					crr	Crown Repairs				
or	Bridges Bridge Penairs	C	724 90	12 0	8.46 0.01	br	Bridges Bridge Penairs	C	992 129	12 0	
orr de	Bridge Repairs Dentures	C	90	10	9.34	brr de	Bridge Repairs Dentures	C	129	10	
der	Denture Repairs	C	135	7	0.93	der	Denture Repairs	C	183	7	
an	Anesthesia	В	231	10	2.19	an	Anesthesia	В	246	10	2.3
)	Orthodontic Coverage	D	0	15	0.00	0	Orthodontic Coverage	D	0	15	
	Orthodornio Covorage			.0	0.00		Orthodornio Cororage				<b></b>
	In Naturalla						Out Of Naturals				
	In-Network	Adult	Adult	Adult			Out-Of-Network	Adult	Adult	Adult	
		Total	Total	Total				Total	Total	Total	
		Annual	Annual	Monthly				Annual	Annual	Monthly	
	Service	CC	Util	CC			Service	CC	Util	CC	
	Class A	126.61		10.55			Class A	182.13		15.18	
	Class B	131.79		10.98			Class B	175.94	844	14.66	
	Class C	103.00		8.58			Class C	143.94	186	12.00	
	Class D (Ortho)	0.00		0.00			Class D (Ortho)	0.00	15	0.00	
	Total	361.40		30.12			Total	502.01	3940	41.83	
Calcu	ılation	In-Netw		DI II T					Network	ADIII T	
Step		A In-	-Network A B	C	Ortho			A Out-	of-Network B	C	Ortho
	Dana Marethle Observa										
1	Base Monthly Charges	10.551	10.982	8.583	0.000			15.177	14.662	11.995	0.000
2	Trend Adjustment	1.015	1.015	1.015	1.015			1.015	1.015	1.015	1.015
3	Sub-Total 1	10.709	11.147	8.712	0.000			15.405	14.881	12.175	0.000
4	Deductible Adjustment +/	0.000	-1.210	-0.470	0.000			0.000	-1.210	-0.470	0.000
5	Sub-Total 2	10.709	9.937	8.242	0.000			15.405	13.671	11.705	0.000
6	Plan Max Adjustment	1.000	1.000	1.450	1.800			1.000	1.000	1.450	1.800
7 8	Coinsurance Adjustment Sub-Total 3	1.000 10.709	0.900 8.943	0.600 7.170	0.500 0.000			0.900 13.864	0.700 9.570	0.500 8.486	0.500
	Sub-Total S	10.709	0.945	7.170	0.000			13.004	9.570	0.400	0.000
		In-Netw	ork					Out-of-Net	work		
		Adult						Adult			
9	Combined Sub-Total	26.82						31.92			
10	Penetration Assumption	0.364						0.636			
11	Sub-Total 4	9.755						20.311			
			Blended								
		Ee									
	Blended In & Out Claim Co	30.07									
13	PPO pepm Fee	0.60									
14 15	Expense Percentage Premium	70.0% 43.81									
		40.01									
40	Manual Dates	Manirel	Date o Pri T	n Chut							
16	Manual Rates		Rates By Tie Per Adult	er otructure		43.81					
		. 1101	. c. / wuit		Dogg	5 of 7					
					1 48	3 01 /					

					ge Charge						
					Plan ID (7509	99CO03300	001)				
n-Netv	work					Out-Of-	Network				
	-	Adult	Adult	Adult	Adult			Adult	Adult	Adult	Adult
Cat		Type Of	Average	Utilization	Total Ann	Cat		Type Of	Average	Utilization	Total Ann
Code	Category of Service	Service	Charge	Per 1000	Cost	Code	Category of Service	Service	Charge	Per 1000	Cost
ol .	Cleanings	A	63	901	56.55	cl	Cleanings	A	86	901	77.8
ex	Exams Fluoride	A n/a	34 26	1032 55	35.12 1.43	ex fl	Exams Fluoride	A n/a	52 35	1032 55	53.4 1.9
se	Sealants	n/a	37	0	0.00	se	Sealants	n/a	52	0	0.0
sm	Space Maintainers	n/a	240	0	0.00	sm	Space Maintainers	n/a	317	0	
ер	Emergency Pain	В	64	8	0.53	ер	Emergency Pain	В	98	8	0.8
rb	Radiographs - Bitewings	A	28	809	22.65	rb	Radiographs - Bitewings	A	41	809	33.5
rf	Radiographs - FMX	Α	81	153	12.30	rf	Radiographs - FMX	Α	114	153	17.3
fi	Restorations (Amalgams &	В	110	446	48.98	fi	Restorations (Amalgams &	В	152	446	67.6
cfi	Restorations (Posterior Re		145	33	4.85	cfi	Restorations (Posterior Re		196	33	6.5
sie	Simple Extractions	В	127	117	14.86	sie	Simple Extractions	В	146	117	17.0
sue	Surgical Extractions	В	279	32	8.89	sue	Surgical Extractions	В	301	32	9.6
os	Oral Surgery	В	252	2	0.44	os	Oral Surgery	В	331	2	0.5
en	Endodontics	В	592	53	31.43	en	Endodontics	В	821	53	43.6
om	Periodontal Maintenance	В	94	56	5.29	pm	Periodontal Maintenance	В	132	56	7.4
mip	Non-Surgical Periodontics	В	135	82	11.05	mip	Non-Surgical Periodontics	В	194	82	15.7
map	Surgical Periodontics	В	555	6	3.28	map	Surgical Periodontics	В	753	6	
in 	Inlays	С	310	1	0.20	in	Inlays	С	444	1	0.2
on	Onlays	С	708	142	1.80	on	Onlays	С	1022	142	
cr	Crown Popoirs	С	574	142	81.47	cr	Crowns Ropaire	С	805	142	114.3
crr	Crown Repairs	С	66	12	0.80	crr	Crown Repairs	С	92	12	1.1
br br	Bridges	C	724 90	12 0	8.46 0.01	br	Bridges Bridge Beneiro	C	992	12 0	11.5
brr de	Bridge Repairs  Dentures	C	90	10	9.34	brr de	Bridge Repairs Dentures	C	129 1291	10	0.0 12.7
der	Denture Repairs	C	135	7	0.93	der	Dentures Denture Repairs	C	183	7	
an	Anesthesia	В	231	10	2.19	an	Anesthesia	В	246	10	2.3
0	Orthodontic Coverage	D	0	15	0.00	0	Orthodontic Coverage	D	240	15	0.0
,	Offinoachino Coverage			10	0.00	Ľ	Citiodenile Coverage		Ŭ	10	0.0
	In-Network						Out-Of-Network				
		Adult	Adult	Adult				Adult	Adult	Adult	
		Total	Total	Total				Total	Total	Total	
		Annual	Annual	Monthly				Annual	Annual	Monthly	
	Service	CC	Util	CC			Service	CC	Util	CC	
	Class A	126.61		10.55			Class A	182.13		15.18	
	Class B	131.79		10.98			Class B	175.94	844	14.66	
	Class C	103.00		8.58			Class C	143.94	186	12.00	
	Class D (Ortho)	0.00		0.00			Class D (Ortho)	0.00	15	0.00	
	Total	361.40		30.12			Total	502.01	3940	41.83	
Calcu	ılation	In-Netw	ork					Out-of-I	Network		
		In	-Network A	DULT				Out-	of-Network	ADULT	
Step		Α	В	С	Ortho			Α	В	С	Ortho
1	Base Monthly Charges	10.551	10.982	8.583	0.000			15.177	14.662	11.995	0.000
2	Trend Adjustment	1.015	1.015	1.015	1.015			1.015	1.015	1.015	1.015
3	Sub-Total 1	10.709	11.147	8.712	0.000			15.405	14.881	12.175	0.000
4	Deductible Adjustment +/	0.000	-1.210	-0.470	0.000			0.000	-1.210	-0.470	0.000
5	Sub-Total 2	10.709	9.937	8.242	0.000			15.405	13.671	11.705	0.000
6	Plan Max Adjustment	1.000	1.000	1.250	1.800			1.000	1.000	1.250	1.800
7	Coinsurance Adjustment	1.000	0.800	0.500	0.500			0.800	0.600	0.500	0.500
8	Sub-Total 3	10.709	7.950	5.151	0.000			12.324	8.203	7.316	0.000
		In Natur									
		In-Netw Adult	OI K					Out-of-Net Adult	w OI K		
9	Combined Sub-Total	23.81						27.84			
10	Penetration Assumption	0.336						0.664			
11	Sub-Total 4	8.003						18.485			
			Blended								
		Ee	2.0.1000								
12	Blended In & Out Claim Co										
13	PPO pepm Fee	0.60									
14	Expense Percentage	70.0%									
15	Premium	38.70									
16	Manual Rates		Rates By Tie	er Structure							
		1 Tier	Per Adult		D	38.70	<u></u>				
					Page	6 of 7					
							00 C 5252 F (04				

					ge Charge						
					Plan ID (7509	99CO02900	001)				
n-Netv	vork					Out-Of-N	Network				
		Adult	Adult	Adult	Adult	<u> </u>		Adult	Adult	Adult	Adult
Cat		Type Of	Average	Utilization	Total Ann	Cat		Type Of	Average	Utilization	Total Ar
Code	Category of Service	Service	Charge	Per 1000	Cost	Code	Category of Service	Service	Charge	Per 1000	Cost
								_			
ol	Cleanings	A	63	901	56.55	cl	Cleanings	Α	86	901	77.
ex	Exams Fluoride	A n/o	34 26	1032	35.12 1.43	ex fl	Exams Fluoride	A	52 35	1032 55	53.4 1.5
e	Sealants	n/a n/a	37	55 0		se	Sealants	n/a n/a	52	0	0.
sm .	Space Maintainers	n/a	240	0		sm	Space Maintainers	n/a	317	0	0.
p p	Emergency Pain	В	64	8	0.53	ер	Emergency Pain	В	98	8	0.
b	Radiographs - Bitewings	A	28	809	22.65	rb	Radiographs - Bitewings	A	41	809	33.
f	Radiographs - FMX	Α	81	153	12.30	rf	Radiographs - FMX	Α	114	153	17
	Restorations (Amalgams &	В	110	446	48.98	fi	Restorations (Amalgams &	В	152	446	67.
:fi	Restorations (Posterior Res	В	145	33	4.85	cfi	Restorations (Posterior Re	В	196	33	6
ie	Simple Extractions	В	127	117	14.86	sie	Simple Extractions	В	146	117	17.
ue	Surgical Extractions	В	279	32	8.89	sue	Surgical Extractions	В	301	32	9.
s	Oral Surgery	В	252	2		os	Oral Surgery	В	331	2	0
n	Endodontics	В	592	53	31.43	en	Endodontics	В	821	53	43
m	Periodontal Maintenance	В	94	56		pm	Periodontal Maintenance	В	132	56	7
nip	Non-Surgical Periodontics	В	135	82	11.05	mip	Non-Surgical Periodontics	В	194	82	15
nap	Surgical Periodontics	В	555	6		map	Surgical Periodontics	В	753	6	4.
n n	Inlays	С	310	1	0.20	in	Inlays	C	444 1022	1	0
n	Onlays Crowns	C	708 574	3 142		on	Onlays Crowns	C	1022 805	1/12	2 114
r rr	Crowns Crown Repairs	C	66	142		cr crr	Crowns Crown Repairs	C	92	142 12	114
rr r	Bridges	C	724	12	0.80 8.46	br	Bridges	C	992	12	11
rr	Bridges Bridge Repairs	C	90	0		brr	Bridges Bridge Repairs	C	129	0	0
e	Dentures	C	946	10	9.34	de	Dentures	C	1291	10	12
er	Denture Repairs	C	135	7	0.93	der	Denture Repairs	C	183	7	12
n	Anesthesia	В	231	10	2.19	an	Anesthesia	В	246	10	2
	Orthodontic Coverage	D	0	15	0.00	0	Orthodontic Coverage	D	0	15	0
	g-				0.00						
	In-Network						Out-Of-Network				
	III NOUN OIK	Adult	Adult	Adult			Cut Of Notwork	Adult	Adult	Adult	
		Total	Total	Total				Total	Total	Total	
		Annual	Annual	Monthly				Annual	Annual	Monthly	
	Service	CC	Util	CC			Service	CC	Util	CC	
	Class A	126.61	2895	10.55			Class A	182.13	2895	15.18	
	Class B	131.79	844	10.98			Class B	175.94	844	14.66	
	Class C	103.00	186	8.58			Class C	143.94	186	12.00	
	Class D (Ortho)	0.00	15	0.00			Class D (Ortho)	0.00	15	0.00	
			3940	00.40							
	Total	361.40	3940	30.12			Total	502.01	3940	41.83	
Salcu	Ilation	361.40		30.12			Total		3940 Network	41.83	
Calcu		In-Netw					Total	Out-of-N			
Calcu Step		In-Netw	ork		Ortho		Total	Out-of-N	Network		Ortho
		In-Netw	ork -Network A	DULT	Ortho 0.000		Total	Out-of-N	Network of-Network	ADULT	Ortho 0.000
Step 1	ılation	In-Netw In-A	ork -Network A B	DULT C			Total	Out-of-N Out-	Network of-Network B	<b>ADULT</b>	0.000
Step 1 2	alation  Base Monthly Charges	In-Netw In- A 10.551	Ork -Network A B 10.982	DULT C 8.583	0.000		Total	Out-of-N Out- A 15.177	Network of-Network B 14.662	ADULT C 11.995	0.000
Step 1 2 3	Alation  Base Monthly Charges Trend Adjustment Sub-Total 1	In-Netw In-A 10.551 1.015	Ork -Network A B 10.982 1.015	DULT C 8.583 1.015	0.000 1.015		Total	Out-of-N Out- A 15.177 1.015	Network of-Network B 14.662 1.015	ADULT C 11.995 1.015	0.000 1.015 0.000
Step 1 2 3 4	Alation  Base Monthly Charges  Trend Adjustment	In-Netw In-A 10.551 1.015 10.709	Pork -Network A B 10.982 1.015 11.147	DULT C 8.583 1.015 8.712	0.000 1.015 0.000		Total	Out-of-N Out- A 15.177 1.015 15.405	Network of-Network B 14.662 1.015 14.881	ADULT C 11.995 1.015 12.175	0.000 1.015 0.000 0.000
Step 1 2 3 4 5	Base Monthly Charges Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2	In-Netw In-A 10.551 1.015 10.709 0.000 10.709	Pork  Network A  B 10.982 1.015 11.147 -1.210 9.937	DULT C 8.583 1.015 8.712 -0.470 8.242	0.000 1.015 0.000 0.000 0.000		Total	Out-of-N Out- A 15.177 1.015 15.405 0.000 15.405	Network of-Network B 14.662 1.015 14.881 -1.210 13.671	ADULT C 11.995 1.015 12.175 -0.470 11.705	0.000 1.015 0.000 0.000 0.000
Step 1 2 3 4 5	Base Monthly Charges Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment	In-Netw In-A 10.551 1.015 10.709 0.000 10.709 1.000	Pork  -Network A  B  10.982  1.015  11.147  -1.210  9.937  1.000	DULT C 8.583 1.015 8.712 -0.470 8.242 0.860	0.000 1.015 0.000 0.000 0.000 1.800		Total	Out-of-N Out- A 15.177 1.015 15.405 0.000 15.405 1.000	Network of-Network B 14.662 1.015 14.881 -1.210 13.671 1.000	ADULT C 11.995 1.015 12.175 -0.470 11.705 0.860	0.000 1.015 0.000 0.000 0.000 1.800
Step 1 2 3 4 5 6	Base Monthly Charges Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2	In-Netw In-A 10.551 1.015 10.709 0.000 10.709	Pork  Network A  B 10.982 1.015 11.147 -1.210 9.937	DULT C 8.583 1.015 8.712 -0.470 8.242	0.000 1.015 0.000 0.000 0.000		Total	Out-of-N Out- A 15.177 1.015 15.405 0.000 15.405	Network of-Network B 14.662 1.015 14.881 -1.210 13.671	ADULT C 11.995 1.015 12.175 -0.470 11.705	
Step 1 2 3 4 5 6 7	Base Monthly Charges Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment	In-Netw In-A 10.551 1.015 10.709 0.000 10.709 1.000 1.000 10.709	10.982 1.015 11.147 -1.210 9.937 1.000 0.700 6.956	DULT C 8.583 1.015 8.712 -0.470 8.242 0.860 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500		Total	Out-of-N Out-A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324	Network of-Network B 14.662 1.015 14.881 -1.210 13.671 1.000 0.500 6.836	ADULT C 11.995 1.015 12.175 -0.470 11.705 0.860 0.500	0.000 1.019 0.000 0.000 0.000 1.800 0.500
Step 1 2 3 4 5 6	Base Monthly Charges Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment	In-Netw In-A 10.551 1.015 10.709 0.000 10.709 1.000 1.000 10.709 In-Netw	10.982 1.015 11.147 -1.210 9.937 1.000 0.700 6.956	DULT C 8.583 1.015 8.712 -0.470 8.242 0.860 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500		Total	Out-of-N Out-A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Netv	Network of-Network B 14.662 1.015 14.881 -1.210 13.671 1.000 0.500 6.836	ADULT C 11.995 1.015 12.175 -0.470 11.705 0.860 0.500	0.000 1.019 0.000 0.000 0.000 1.800 0.500
Step 1 2 3 4 5 6 7 8	Base Monthly Charges Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3	In-Netw In-A A 10.551 1.015 10.709 0.000 10.709 1.000 1.000 10.709 In-Netw Adult	10.982 1.015 11.147 -1.210 9.937 1.000 0.700 6.956	DULT C 8.583 1.015 8.712 -0.470 8.242 0.860 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500		Total	Out-of-Netvorted	Network of-Network B 14.662 1.015 14.881 -1.210 13.671 1.000 0.500 6.836	ADULT C 11.995 1.015 12.175 -0.470 11.705 0.860 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500
Step 1 2 3 4 5 6 7 8	Base Monthly Charges Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3  Combined Sub-Total	In-Netw In-A 10.551 1.015 10.709 0.000 10.709 1.000 1.000 10.709 In-Netw Adult 21.21	10.982 1.015 11.147 -1.210 9.937 1.000 0.700 6.956	DULT C 8.583 1.015 8.712 -0.470 8.242 0.860 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500		Total	Out-of-Net Adult 24.19	Network of-Network B 14.662 1.015 14.881 -1.210 13.671 1.000 0.500 6.836	ADULT C 11.995 1.015 12.175 -0.470 11.705 0.860 0.500	0.000 1.019 0.000 0.000 0.000 1.800 0.500
Step 1 2 3 4 5 6 7 8	Base Monthly Charges Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3	In-Netw In-A A 10.551 1.015 10.709 0.000 10.709 1.000 1.000 10.709 In-Netw Adult	10.982 1.015 11.147 -1.210 9.937 1.000 0.700 6.956	DULT C 8.583 1.015 8.712 -0.470 8.242 0.860 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500		Total	Out-of-Netvorted	Network of-Network B 14.662 1.015 14.881 -1.210 13.671 1.000 0.500 6.836	ADULT C 11.995 1.015 12.175 -0.470 11.705 0.860 0.500	0.00 1.01 0.00 0.00 0.00 1.80 0.50
1 2 3 4 5 6 7 8	Base Monthly Charges Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3  Combined Sub-Total Penetration Assumption	In-Netw In-A 10.551 1.015 10.709 0.000 10.709 1.000 1.000 10.709 In-Netw Adult 21.21 0.341	Pork  -Network A  B 10.982 1.015 11.147 -1.210 9.937 1.000 0.700 6.956	DULT C 8.583 1.015 8.712 -0.470 8.242 0.860 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500		Total	Out-of-Nets A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Nets Adult 24.19 0.659	Network of-Network B 14.662 1.015 14.881 -1.210 13.671 1.000 0.500 6.836	ADULT C 11.995 1.015 12.175 -0.470 11.705 0.860 0.500	0.00 1.01 0.00 0.00 0.00 1.80 0.50
1 2 3 4 5 6 7 8	Base Monthly Charges Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3  Combined Sub-Total Penetration Assumption	In-Netw In-A 10.551 1.015 10.709 0.000 10.709 1.000 1.000 10.709 In-Netw Adult 21.21 0.341	10.982 1.015 11.147 -1.210 9.937 1.000 0.700 6.956	DULT C 8.583 1.015 8.712 -0.470 8.242 0.860 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500		Total	Out-of-Nets A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Nets Adult 24.19 0.659	Network of-Network B 14.662 1.015 14.881 -1.210 13.671 1.000 0.500 6.836	ADULT C 11.995 1.015 12.175 -0.470 11.705 0.860 0.500	0.00 1.01 0.00 0.00 0.00 1.80 0.50
1 2 3 4 4 5 6 6 7 8 8 9 10 11	Base Monthly Charges Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3  Combined Sub-Total Penetration Assumption Sub-Total 4  Blended In & Out Claim Co	In-Netw In-A 10.551 1.015 10.709 0.000 10.709 1.000 1.000 1.000 10.709 In-Netw Adult 21.21 0.341 7.223	Pork  -Network A  B 10.982 1.015 11.147 -1.210 9.937 1.000 0.700 6.956	DULT C 8.583 1.015 8.712 -0.470 8.242 0.860 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500		Total	Out-of-Nets A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Nets Adult 24.19 0.659	Network of-Network B 14.662 1.015 14.881 -1.210 13.671 1.000 0.500 6.836	ADULT C 11.995 1.015 12.175 -0.470 11.705 0.860 0.500	0.00 1.01 0.00 0.00 0.00 1.80 0.50
9 10 11 12 3 4 5 6 7 8	Base Monthly Charges Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3  Combined Sub-Total Penetration Assumption Sub-Total 4  Blended In & Out Claim Co	In-Netw In A 10.551 1.015 10.709 0.000 10.709 1.000 1.000 10.709 In-Netw Adult 21.21 0.341 7.223  Ee 23.18 0.60	Pork  -Network A  B 10.982 1.015 11.147 -1.210 9.937 1.000 0.700 6.956	DULT C 8.583 1.015 8.712 -0.470 8.242 0.860 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500		Total	Out-of-Nets A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Nets Adult 24.19 0.659	Network of-Network B 14.662 1.015 14.881 -1.210 13.671 1.000 0.500 6.836	ADULT C 11.995 1.015 12.175 -0.470 11.705 0.860 0.500	0.000 1.013 0.000 0.000 0.000 1.800 0.500
9 10 11 12 13 14	Base Monthly Charges Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3  Combined Sub-Total Penetration Assumption Sub-Total 4  Blended In & Out Claim Co PPO pepm Fee Expense Percentage	In-Netw In-A 10.551 1.015 10.709 0.000 10.709 1.000 10.709 In-Netw Adult 21.21 0.341 7.223  Ee 23.18 0.60 70.0%	Pork  -Network A  B 10.982 1.015 11.147 -1.210 9.937 1.000 0.700 6.956	DULT C 8.583 1.015 8.712 -0.470 8.242 0.860 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500		Total	Out-of-Nets A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Nets Adult 24.19 0.659	Network of-Network B 14.662 1.015 14.881 -1.210 13.671 1.000 0.500 6.836	ADULT C 11.995 1.015 12.175 -0.470 11.705 0.860 0.500	0.000 1.013 0.000 0.000 0.000 1.800 0.500
9 10 11 12 13 14 15 66 7 8	Base Monthly Charges Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3  Combined Sub-Total Penetration Assumption Sub-Total 4  Blended In & Out Claim Co	In-Netw In A 10.551 1.015 10.709 0.000 10.709 1.000 1.000 10.709 In-Netw Adult 21.21 0.341 7.223  Ee 23.18 0.60	Pork  -Network A  B 10.982 1.015 11.147 -1.210 9.937 1.000 0.700 6.956	DULT C 8.583 1.015 8.712 -0.470 8.242 0.860 0.500	0.000 1.015 0.000 0.000 0.000 1.800 0.500		Total	Out-of-Nets A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Nets Adult 24.19 0.659	Network of-Network B 14.662 1.015 14.881 -1.210 13.671 1.000 0.500 6.836	ADULT C 11.995 1.015 12.175 -0.470 11.705 0.860 0.500	0.000 1.019 0.000 0.000 0.000 1.800 0.500
Step 1 2 3 4 5 6 7 8 9 10 11 11 12 13 14 15	Base Monthly Charges Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3  Combined Sub-Total Penetration Assumption Sub-Total 4  Blended In & Out Claim Co PPO pepm Fee Expense Percentage Premium	In-Netw A 10.551 1.015 10.709 0.000 10.709 1.000 1.000 1.0709 In-Netw Adult 7.223  Ee 23.18 0.60 70.0% 33.97	Pork  -Network A  B 10.982 1.015 11.147 -1.210 9.937 1.000 0.700 6.956	DULT C 8.583 1.015 8.712 -0.470 8.242 0.860 0.500 3.544	0.000 1.015 0.000 0.000 0.000 1.800 0.500 0.000		Total	Out-of-Nets A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Nets Adult 24.19 0.659	Network of-Network B 14.662 1.015 14.881 -1.210 13.671 1.000 0.500 6.836	ADULT C 11.995 1.015 12.175 -0.470 11.705 0.860 0.500	0.000 1.013 0.000 0.000 0.000 1.800 0.500
Step 1 2 3 4 5 6 7 8 9 10 11 11 12 13 14 15	Base Monthly Charges Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3  Combined Sub-Total Penetration Assumption Sub-Total 4  Blended In & Out Claim Co PPO pepm Fee Expense Percentage	In-Netw In-A 10.551 1.015 10.709 0.000 10.709 1.000 1.000 10.709 In-Netw Adult 21.21 0.341 7.223  Ee 23.18 0.60 70.0% 33.97	Pork  Network A  B 10.982 1.015 11.147 -1.210 9.937 1.000 0.700 6.956  Ork  Blended	DULT C 8.583 1.015 8.712 -0.470 8.242 0.860 0.500 3.544	0.000 1.015 0.000 0.000 0.000 1.800 0.500 0.000	33 97	Total	Out-of-Nets A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Nets Adult 24.19 0.659	Network of-Network B 14.662 1.015 14.881 -1.210 13.671 1.000 0.500 6.836	ADULT C 11.995 1.015 12.175 -0.470 11.705 0.860 0.500	0.000 1.013 0.000 0.000 0.000 1.800 0.500
Step 1 2 3 4 5 6 7 8 9 10 11 11 12 13 14 15	Base Monthly Charges Trend Adjustment Sub-Total 1 Deductible Adjustment +/ Sub-Total 2 Plan Max Adjustment Coinsurance Adjustment Sub-Total 3  Combined Sub-Total Penetration Assumption Sub-Total 4  Blended In & Out Claim Co PPO pepm Fee Expense Percentage Premium	In-Netw In-A 10.551 1.015 10.709 0.000 10.709 1.000 1.000 10.709 In-Netw Adult 21.21 0.341 7.223  Ee 23.18 0.60 70.0% 33.97	Pork  -Network A  B 10.982 1.015 11.147 -1.210 9.937 1.000 0.700 6.956	DULT C 8.583 1.015 8.712 -0.470 8.242 0.860 0.500 3.544	0.000 1.015 0.000 0.000 0.000 1.800 0.500 0.000	33.97 7 of 7	Total	Out-of-Nets A 15.177 1.015 15.405 0.000 15.405 1.000 0.800 12.324 Out-of-Nets Adult 24.19 0.659	Network of-Network B 14.662 1.015 14.881 -1.210 13.671 1.000 0.500 6.836	ADULT C 11.995 1.015 12.175 -0.470 11.705 0.860 0.500	0.00 1.01 0.00 0.00 0.00 1.80 0.50

SERFF Tracking #: SHIC-129076988 State Tracking #: 279017 Company Tracking #:

 State:
 Colorado
 Filing Company:
 SeeChange Health Insurance Company, Inc.

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health - Dental

Product Name: PPACA Dental Filing

Project Name/Number: /

# **Superseded Schedule Items**

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Creation Date	Schedule Item Status	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
07/09/2013		Supporting Document	Actuarial Memorandum Dental 1000 1500 2000	07/31/2013	PPACA Dental 1000 1500 2000_CO Group Wrap Pediatric EHB act memo - (6-28-2013).pdf (Superceded)
06/14/2013		Supporting Document	Actuarial Memorandum Dental 1000 1500 2000	07/09/2013	PPACA Dental 1000 1500 2000_CO Group Wrap Pediatric EHB act memo - (6-12-2013).pdf (Superceded)

# **SeeChange Life Insurance Company, Inc.**

# Group Dental Insurance Policy Actuarial Memorandum

# Policy Number 75099CO0290001, 75099CO0330001, 75099CO032 Plan Marketing Name: PPACA Dental [1000, 1500, 2000]

#### A. Summary

- 1. Reasons: The purpose of this memorandum is to describe the benefits and assumptions for the attached Group Dental Insurance Policy, and to certify that this Form is in compliance with applicable laws and regulations of the state. This is a new product filing to be used for groups with less than 51 lives that provides coverage for adults and to supplement the pediatric Essential Health Benefits (EHB) under ACA. This memorandum is not intended to be used for any other purpose.
- 2. Requested Rate Action: This is a new product filing with no existing business under this Policy form.
- 3. Marketing Method: This Policy is intended to be distributed to employer groups, and associations through independent agents and brokers
- 4. Premium Classification: The rates and benefits do not vary by age, industry, or any demographic factors other than area.
- 5. Product Description: This Form is designed to provide Dental Insurance benefits for dependents of employees and members of employer groups and associations. After an initial 12 month contract period, the contract is renewable on a month to month basis. The premiums may be paid by the employee, employer, member, association, or any combination.
  - Benefits include coverage for certain of the following types of dental services: preventive, diagnostic, basic, major, and orthodontia.
  - There will be a total of 6 plan designs offered and they are described below. These 6 plan designs vary by deductible, coinsurance, annual maximum, and whether the plan is a MAC or PPO plan as defined in the following bullet point. There are also frequency limits and age limits for certain procedures, as defined in the Policy. See the Policy for a complete description of covered services by class of service. The pediatric benefits in this policy are supplemental to an underlying "Low" EHB plan (i.e. 70% Actuarial Value).
    - a. High MAC and PPO Plans → \$50 deductible waived for class A services with a maximum of 3 deductibles per family. There is 100% coverage for class A services in-network and 90% coverage for these services when provided by a non-network provider. There is 90% coverage for class B services in-network and 70% coverage for these services when provided by a non-network provider. There is 60% coverage for class C services in-

- network and 50% coverage for these services when provided by a non-network provider. Adult and Child Orthodontia (medically & non-medically necessary) are optionally available with a 50% coverage limit up to a maximum lifetime benefit of \$2,000. The annual maximum under these two plans is \$2,000.
- b. Mid MAC and PPO Plans → \$50 deductible waived for class A services with a maximum of 3 deductibles per family. There is 100% coverage for class A services in-network and 80% coverage for these services when provided by a non-network provider. There is 80% coverage for class B services in-network and 60% coverage for these services when provided by a non-network provider. There is 50% coverage for class C services in-network and 50% coverage for these services when provided by a non-network provider. Adult and Child Orthodontia (medically & non-medically necessary) are optionally available with a 50% coverage limit up to a maximum lifetime benefit of \$1,500. The annual maximum under these two plans is \$1,500.
- c. Low MAC and PPO Plans → \$50 deductible waived for class A services with a maximum of 3 deductibles per family. There is 100% coverage for class A services in-network and 80% coverage for these services when provided by a non-network provider. There is 70% coverage for class B services in-network and 50% coverage for these services when provided by a non-network provider. There is 50% coverage for class C services in-network and 50% coverage for these services when provided by a non-network provider. The annual maximum under these two plans is \$1,000.
- For network providers the benefit payable for each procedure under this Policy is based on a fee schedule accepted by the network of participating providers in the state. For non-network providers the benefit payable for each procedure under this Policy may also be based on this network fee schedule (MAC plan); or may be based on submitted charges limited to the company's UCR fee schedule (PPO plan).
- 6. Policy/Rider form: The Policy Form Numbers impacted by this filing are 75099C00290001, 75099C00330001, and 75099C00320001.
- 7. Age Basis: The premiums under these Policy Form Numbers will be charged on an attained age basis. There are two attained age brackets. Children and Adults, where children are those individuals less than age 19 and adults are those individuals greater than or equal to age 19. This Policy Form can be issued to all ages.
- 8. Renewability Provision: This is an Optionally Renewable Policy form for an annually rated group Policy.

### **B.** Assumption or Acquisition

The Policy form included with this rate filing was not part of an assumption or acquisition.

#### C. Rating Period

The proposed implementation date of the rates is 1/1/2014, and the length of the rating period will be 12-months starting from the proposed implementation date.

# **D.** Underwriting

This Policy is guaranteed issued. There is no individual underwriting of this Policy.

#### E. Effect of Law Changes

This is a new product filing, and as such there are no changes to the rates, expenses, or medical costs under this Policy form due to changes in laws or regulations.

### F. Rate History

There is currently no existing business on this Form, so there is no rate history.

#### G. Coordination of Benefits

Since this is a new product filing, there is no loss experience net of savings associated with COB or subrogation.

## H. Relation of Benefits to Premium

The State-mandated minimum anticipated benefit ratio for Dental / Vision products is 60%. The target loss ratio for this Form is 70% at all durations. The expense assumptions used to develop the premiums are based on the company's actual costs developed from experience with other Group Insurance Forms.

Retention Elements	
Commissions	15.00%
Premium Taxes (S/F)	4.00%
Risk Margin	3.00%
Administration	8.00%
Total Retention	30.00%

#### I. Lifetime Loss Ratio

This is an optionally renewable Policy form for an annually rated Group Policy. Active life reserves, persistency assumptions and interest/discount rates are not applicable with annually renewable group term insurance. The lifetime loss ratio is expected to be equivalent to the target loss ratio of 70% at each Policy duration.

# J. Provision for Profit and Contingencies

This Form includes a risk margin (provision for profit and contingency) of 3.0% of premium as shown in the Retention Elements table above. This is sufficient to meet the Company's return on investment target with respect to its risk based capital requirements. Since this is an annually rated group Policy, investment income from unearned premium reserves and incurred but not reported reserves are not applicable and immaterial, respectively.

### K. Explanation of Proposed Rate Development

As shown in the attached Exhibit I, claim costs for this plan are initially calculated separately for each of the categories of dental services (cleanings, exams, fluoride, etc.) separately by adult and child, and by in-network and out-of-network. These initial total charges are calculated by taking the product of the state-wide average charges for each category of service and the average annual utilization rates for each category of service. These average charges are based on the negotiated network fee schedules and/or submitted charges by non-network providers limited to the Company's UCR fee schedule. The average utilization rates have been provided by an actuarial consulting firm, Actuarial Worksite Marketing Services, Inc. (AWMS), and are based on experience data contributed by the firm's dental clients during the period 2010-2012. These resulting initial total charges by category are then combined into classes of service (preventive, basic, major, and orthodontia) by summing up, and are then converted to monthly costs by dividing by 12. resulting base monthly charges are then adjusted for six month's trend, deductibles, coinsurance, and annual maximum to derive the monthly claim costs. adjustments for deductible and annual maximums are based on factors provided by AWMS. These monthly claim costs are then summed into in-network and out-ofnetwork sub-totals, weighted by the assumed network penetration and combined, and finally divided by the target loss ratio to result in the projected monthly premium The attached Exhibit I provides sample documentation for the average statewide child rate calculation for the Low MAC Plan. The statewide premiums are then adjusted by a factor for each of the 11 rating regions in Colorado, as described below.

### L. Trend

The rates shown in this actuarial memo will be used for effective dates beginning in 2014. An annual trend factor, currently 4%, will be used to derive the premiums rates for effective dates beginning after 2014. This trend factor is currently based on a projected annual increase of 3% in dental prices and 1% in utilization rates. The primary drivers of trend for these dental Policy Forms are utilization and price. The spreadsheet provided shows approximately 3.5 years of dental experience and includes claims, premium, number of claims, and number of subscribers. From these data elements, as can be seen in the spreadsheet, utilization and price trend are developed and shown to be consistent with an average annual trend factor of 4%. This trend factor is derived only from medical trend components. There is assumed to be no impact on the trend factor from insurance trend. Since the policies are guaranteed issue there is no underwriting wear-off. For dental products the effects of deductible leveraging and annual maximum de-leveraging offset each other with

respect to the impact on trend factors. As a new product there is no anticipated antiselection due to discontinuance of new sales.

# M. Credibility

This is a new product filing. There is currently no business in Colorado or nationally. The data discussed in the Trend section, as well as in the Data Requirements section of this memorandum is based on nationwide dental experience from the AWMS client base, and was used for the rate development of these Policy Forms. The underlying experience is provided in the spreadsheet and is considered fully credible by Colorado's standards using either Life Years or Number of Claims. The average number of covered lives and number of claims underlying the experience used in the rate development of this Policy Form is in excess of 200,000 and 700,000 per year of experience, respectively.

### N. Data Requirements

This is a new product filing. There is currently no business in Colorado or nationally. The data discussed in the Trend section, as well as in the Credibility Requirements section of this memorandum is based on nationwide dental experience provided by the AWMS client base, and was used for the rate development of these Policy Forms. The underlying experience is provided in the spreadsheet, and a summary of the detail is provided in table form here.

		Comparable I	Product - Indus	trywide Expe	rience (N	lational Experi	ence)	
Calendar	Earned	Incurred	Est. Incurred	Estimated	Loss	Ave. Covered	Ave. Covered	Number of
Year*	Premium	Claims	Claims	IBNR Claims	Ratio	Lives	Subscribers	Claims
2010	66,943,978	46,779,958	46,779,958	0	69.9%	191,662	91,268	639,439
2011	79,497,515	54,739,594	54,739,594	0	68.9%	217,405	103,526	734,805
2012	81,167,341	54,430,503	54,648,276	217,774	67.3%	214,564	102,173	723,051
2013*	33,967,876	18,426,335	23,160,209	4,733,873	68.2%	209,238	99,637	298,206
* 2013 is Ca	alendar Year to	date (1/1/2013	- 5/31/2013)					

#### O. Side-by-Side Comparison

Since this is a new product filing, a side-by-side comparison is not applicable.

#### P. Benefit Ratio Projections

Since this is an annually rated group insurance Policy form, the lifetime loss ratio is expected to be equivalent to the target loss ratio at each Policy duration. The 70% lifetime loss ratio is expected to equal the annual target loss ratio of 70% in each policy year. Since this is a new product filing for SeeChange Life Insurance Company, there is no requested rate change. Also, since this is an annually rated group policy the projected benefits ratio is expected to be equal to the pricing target loss ratio over the rating period as well as over subsequent rating periods, assuming trend increases occur over the subsequent rating periods.

#### O. Other Factors/Information

#### 1. Area Factors

The rates do vary by area according to the 11 rating regions in the state. The actual area factors used were developed by initially calculating a weighted average fee for the entire state for all services. This weighted average was calculated by first using assumed utilization rates for the top 177 procedure codes times the network fee for each procedure to get an average fee for each network fee schedule in use in the state. Each of these average fees was then weighted by the percentage of the state's population assumed to access providers on that fee schedule with the result being an average statewide dental fee. A similar process was then used to calculate an average dental fee for each of the 11 rating regions in the state. The ratios of the average fee for each region to the average fee for the state are the area factors.

	Regional Factors	
Region	MAC	PPO
CO -		
Agg	1.000	1.000
1	0.966	1.015
2	1.056	1.050
3	1.043	1.032
4	0.889	0.961
5	0.891	0.891
6	0.888	0.954
7	1.014	0.915
8	0.925	0.882
9	0.856	0.947
10	0.892	0.886
11	0.991	0.995

#### 2. Premium Modalization Rules

This Form can be billed weekly, bi-weekly, monthly, quarterly, semiannually, or annually. Weekly premiums are 1/52 of annual premiums, bi-weekly premiums are 1/26 of annual premiums, and monthly premiums are 1/12 of annual premiums. Quarterly premiums are 1/4 of annual premiums. Semiannual premiums are 1/2 of annual premiums.

#### 3. Claim Liability and Reserves

An incurred but not reported claim reserve will be held for this Form. This reserve will be estimated based on the previous 12-months of claim lag data (claims by incurred and paid date).

# **R.** Rating Manuals

The rates for this Policy are based on a rate table that varies by the 11 rating regions within the state, and are separate for adults and children. The statewide average rates are shown here for each of the 6 plans and will be applied to the appropriate regional area factors provided above to arrive at the area specific rates.

	Adult & Supplemental Pediatric EHB											
High MAC High PPO Mid MAC Mid PPO Low MAC Low PPO												
Adlt Prem w/o ortho	\$35.31	\$43.81	\$30.96	\$38.70	\$27.27	\$33.97						
Adlt Prem w/ortho	\$38.56	\$47.06	\$34.21	\$41.95	n/a	n/a						
Chld Prem w/o ortho	\$4.56	\$4.63	\$2.98	\$3.26	\$1.57	\$1.60						
Chld Prem w/ortho	\$9.07	\$9.14	\$7.49	\$7.77	n/a	n/a						

#### **Actuarial Certification**

I, William J. DeCapua, am an Associate of the Society of Actuaries, and a Member of the American Academy of Actuaries, and meet the "Qualification Standards of Actuarial Opinion" as adopted by the American Academy of Actuaries. I certify that to the best of my knowledge and judgment, this filing is in compliance with the applicable laws of the State of Colorado and with the rules of the Department of Insurance; and complies with Actuarial Standards of Practice No. 8, "Regulatory Filings for Rates and Financial Projections for Health Plans", as adopted by the Actuarial Standards Board. The premiums are neither excessive, inadequate, nor unfairly discriminatory; and the benefits provided are reasonable in relation to the premiums charged.

Consulting Actuary

06/28/2013

Date

					Exh	ibit I					
				Avera	age Charge	s and L	Itilization				
n-Net	work	01.11	Child	Child	Ch.i.i.	Out-O	-Network	01.11	Child	Child	Ch. H.
Cat		Child Type Of	Child Average	Child Utilization	Child	Cat		Child Type Of	Child Average	Child Utilization	Child
Code	Category of Service	Service	Charge	Per 1000	Cost	Code	Category of Service	Service	Charge	Per 1000	Cost
Couc	Category of Service	Service	Charge	1611000	COST	Couc	Category of Service	Service	Charge	1 61 1000	COST
cl	Cleanings	Α	52	706	37.00	cl	Cleanings	Α	52	706	37.0
ex	Exams	Α	33	1092	36.26	ex	Exams	Α	33	1092	36.2
fl	Fluoride	Α	25	609	15.17	fl	Fluoride	Α	25	609	15.1
se	Sealants	Α	37	392	14.72	se	Sealants	Α	37	392	14.7
sm	Space Maintainers	В	266			sm	Space Maintainers	В	266	10	2.5
ep	Emergency Pain	В	64	2		ep	Emergency Pain	В	64	2	0.1
rb	Radiographs - Bitewings	A	28	520		rb	Radiographs - Bitewings	A	28	520	14.3
rf fi	Radiographs - FMX Restorations (Amalgams & Anto	A B	77 101	112 450		rf fi	Radiographs - FMX Restorations (Amalgams & An	A B	77 101	112 450	8.5 45.5
cfi	Restorations (Posterior Resin)	В	139	430		cfi	Restorations (Posterior Resin	В	139	430	5.9
sie	Simple Extractions	В	123			sie	Simple Extractions	В	123	102	12.5
sue	Surgical Extractions	В	406	72		sue	Surgical Extractions	В	406	72	29.3
os	Oral Surgery	С	446	4	1.65	os	Oral Surgery	С	446	4	1.6
en	Endodontics	В	277	28	7.67	en	Endodontics	В	277	28	7.6
pm	Periodontal Maintenance	С	94	1	0.06	pm	Periodontal Maintenance	С	94	1	0.0
mip	Non-Surgical Periodontics	С	132	5		mip	Non-Surgical Periodontics	С	132	5	0.6
map	Surgical Periodontics	С	380	2		map	Surgical Periodontics	С	380	2	
in	Inlays	С	585	0		in	Inlays	С	585	0	0.0
on	Onlays	С	711	0		on	Onlays	С	711	0	0.2
cr	Crowns	В	318			cr	Crowns	В	318	22	7.0
crr	Crown Repairs	С	66			crr	Crown Repairs	С	66	1	0.0
br brr	Bridges Bridge Repairs	C	638 90	0		br brr	Bridges Bridge Repairs	C C	638 90	0	0.2
brr de	Dentures	С	1025	0		de	Dentures	С	1025	0	0.0
der	Denture Repairs	C	1023	0		der	Denture Repairs	C	1023	0	
an	Anesthesia	C	268	39		an	Anesthesia	С	268	39	10.4
0	Orthodontic Coverage	D	0		0.00	0	Orthodontic Coverage	D	0	37	0.0
	In-Network	Child	Child	Child			Out-Of-Network	Child	Child	Child	
		Total	Total	Total				Total	Total	Total	
		Annual	Annual	Monthly				Annual	Annual	Monthly	
	Service	CC	Util	CC			Service	CC	Util	CC	
	Class A	126.07		10.51			Class A	126.07	3431	10.51	
	Class B	110.88					Class B	110.88		9.24	
	Class C	14.16		1.18			Class C	14.16		1.18	
	Class D (Ortho) Total	0.00 251.11	7 4220	0.00 20.93			Class D (Ortho) Total	0.00 251.11	4220	0.00 20.93	
Calcı	lation	In-Netw							Network	· CIIII D	
Step		A	-Network C	С	Ortho			A	-of-Networ	C	Ortho
	Base Monthly Charges		9.240	1.180	0.000				9.240	1.180	0.000
2	, .	10.505	1.015	1.180	1.015			10.505	1.015	1.180	1.015
3	Trend Adjustment Sub-Total 1	10.663	9.379	1.015	0.000			1.015	9.379	1.015	0.000
4	Deductible Adjustment +/-	0.000	-1.205	-0.100	0.000			0.000	-1.205	-0.100	0.000
5	Sub-Total 2	10.663	8.173	1.098	0.000			10.663	8.173	1.098	0.000
6	Plan Max Adjustment	1.000	1.000	0.860	1.400			1.000	1.000	0.860	1.400
7	Coinsurance Adjustment	0.000	0.200	0.500	0.000			0.000	0.000	0.500	0.000
8	Sub-Total 3	0.000	1.635	0.472	0.000			0.000	0.000	0.472	0.000
		In-Netw	ork					Out-of-Ne	twork		
		Child						Child			
9	Combined Sub-Total	2.11						0.47			
10 11	Penetration Assumption Sub-Total 4	0.385 0.811						0.615 0.290			
		Disastad									
		Child									
12	Blended In & Out Claim Cost	1.10									
13	PPO pepm Fee	0.00									
14	Expense Percentage	70.0%									
15	Premium	1.57									

# **SeeChange Life Insurance Company, Inc.**

# Group Dental Insurance Policy Actuarial Memorandum

# Policy Number 75099CO0290001, 75099CO0330001, 75099CO032 Plan Marketing Name: PPACA Dental [1000, 1500, 2000]

#### A. Summary

- 1. Reasons: The purpose of this memorandum is to describe the benefits and assumptions for the attached Group Dental Insurance Policy, and to certify that this Form is in compliance with applicable laws and regulations of the state. This is a new product filing to be used for groups with less than 51 lives that provides coverage for adults and to supplement the pediatric Essential Health Benefits (EHB) under ACA. This memorandum is not intended to be used for any other purpose.
- 2. Requested Rate Action: This is a new product filing with no existing business under this Policy form.
- 3. Marketing Method: This Policy is intended to be distributed to employer groups, and associations through independent agents and brokers
- 4. Premium Classification: The rates and benefits do not vary by age, industry, or any demographic factors other than area.
- 5. Product Description: This Form is designed to provide Dental Insurance benefits for dependents of employees and members of employer groups and associations. After an initial 12 month contract period, the contract is renewable on a month to month basis. The premiums may be paid by the employee, employer, member, association, or any combination.
  - Benefits include coverage for certain of the following types of dental services: preventive, diagnostic, basic, major, and orthodontia.
  - There will be a total of 6 plan designs offered and they are described below. These 6 plan designs vary by deductible, coinsurance, annual maximum, and whether the plan is a MAC or PPO plan as defined in the following bullet point. There are also frequency limits and age limits for certain procedures, as defined in the Policy. See the Policy for a complete description of covered services by class of service. The pediatric benefits in this policy are supplemental to an underlying "Low" EHB plan (i.e. 70% Actuarial Value).
    - a. High MAC and PPO Plans → \$50 deductible waived for class A services with a maximum of 3 deductibles per family. There is 100% coverage for class A services in-network and 90% coverage for these services when provided by a non-network provider. There is 90% coverage for class B services in-network and 70% coverage for these services when provided by a non-network provider. There is 60% coverage for class C services in-

network and 50% coverage for these services when provided by a non-network provider. Adult and Child Orthodontia (medically & non-medically necessary) are optionally available with a 50% coverage limit up to a maximum lifetime benefit of \$2,000. The annual maximum under these two plans is \$2,000.

- b. Mid MAC and PPO Plans → \$50 deductible waived for class A services with a maximum of 3 deductibles per family. There is 100% coverage for class A services in-network and 80% coverage for these services when provided by a non-network provider. There is 80% coverage for class B services in-network and 60% coverage for these services when provided by a non-network provider. There is 50% coverage for class C services in-network and 50% coverage for these services when provided by a non-network provider. Adult and Child Orthodontia (medically & non-medically necessary) are optionally available with a 50% coverage limit up to a maximum lifetime benefit of \$1,500. The annual maximum under these two plans is \$1,500.
- c. Low MAC and PPO Plans → \$50 deductible waived for class A services with a maximum of 3 deductibles per family. There is 100% coverage for class A services in-network and 80% coverage for these services when provided by a non-network provider. There is 70% coverage for class B services in-network and 50% coverage for these services when provided by a non-network provider. There is 50% coverage for class C services in-network and 50% coverage for these services when provided by a non-network provider. The annual maximum under these two plans is \$1,000.
- For network providers the benefit payable for each procedure under this Policy is based on a fee schedule accepted by the network of participating providers in the state. For non-network providers the benefit payable for each procedure under this Policy may also be based on this network fee schedule (MAC plan); or may be based on submitted charges limited to the company's UCR fee schedule (PPO plan).
- 6. Policy/Rider form: Only the Policy Form listed in the heading of this actuarial memorandum will be impacted by this filing.
- 7. Age Basis: There is only two age-related rate basis for this product: Adults and Children < age 19.
- 8. Renewability Provision: This is an Optionally Renewable Policy form for an annually rated group Policy.

#### **B.** Assumption or Acquisition

The Policy form included with this rate filing was not part of an assumption or acquisition.

#### C. Rating Period

The rating methodology used to produce rates under this Policy form applies to all rating periods and will become effective on 1/1/2014.

## **D.** Underwriting

This Policy is guaranteed issued. There is no individual underwriting of this Policy.

# E. Effect of Law Changes

This is a new product filing, and as such there are no changes to the rates, expenses, or medical costs under this Policy form due to changes in laws or regulations.

# F. Rate History

There is currently no existing business on this Form, so there is no rate history.

#### G. Coordination of Benefits

Since this is a new product filing, there is no loss experience net of savings associated with COB or subrogation.

## H. Relation of Benefits to Premium

The State-mandated minimum anticipated benefit ratio for Dental / Vision products is 60%. The target loss ratio for this Form is 70% at all durations. The expense assumptions used to develop the premiums are based on the company's actual costs developed from experience with other Group Insurance Forms.

Retention Elements	
Commissions	15.00%
Premium Taxes (S/F)	4.00%
Risk Margin	3.00%
Administration	12.50%
Total Retention	30.00%

#### I. Lifetime Loss Ratio

This is an optionally renewable Policy form for an annually rated Group Policy. Active life reserves, persistency assumptions and interest/discount rates are not applicable with annually renewable group term insurance. The lifetime loss ratio is expected to be equivalent to the target loss ratio of 70% at each Policy duration.

#### J. Provision for Profit and Contingencies

This Form includes a risk margin (provision for profit and contingency) of 3.0% of premium as shown in the Retention Elements table above. This is sufficient to meet the Company's return on investment target with respect to its risk based capital

requirements. Since this is an annually rated group Policy, investment income from unearned premium reserves and incurred but not reported reserves are not applicable and immaterial, respectively.

#### K. Explanation of Proposed Rate Development

As shown in the attached Exhibit I, claim costs for this plan are initially calculated separately for each of the categories of dental services (cleanings, exams, fluoride, etc.) separately by adult and child, and by in-network and out-of-network. These initial total charges are calculated by taking the product of the state-wide average charges for each category of service and the average annual utilization rates for each category of service. These average charges are based on the negotiated network fee schedules and/or submitted charges by non-network providers limited to the Company's UCR fee schedule. The average utilization rates have been provided by an actuarial consulting firm, Actuarial Worksite Marketing Services, Inc. (AWMS), and are based on experience data contributed by the firm's dental clients during the period 2010-2012. These resulting initial total charges by category are then combined into classes of service (preventive, basic, major, and orthodontia) by summing up, and are then converted to monthly costs by dividing by 12. resulting base monthly charges are then adjusted for six month's trend, deductibles, coinsurance, and annual maximum to derive the monthly claim costs. adjustments for deductible and annual maximums are based on factors provided by AWMS. These monthly claim costs are then summed into in-network and out-ofnetwork sub-totals, weighted by the assumed network penetration and combined, and finally divided by the target loss ratio to result in the projected monthly premium The attached Exhibit I provides sample documentation for the average statewide child rate calculation for the Low MAC Plan. The statewide premiums are then adjusted by a factor for each of the 11 rating regions in Colorado, as described below.

#### L. Trend

The rates shown in this actuarial memo will be used for effective dates beginning in 2014. An annual trend factor, currently 4%, will be used to derive the premiums rates for effective dates beginning after 2014. This trend factor is currently based on a projected annual increase of 3% in dental prices and 1% in utilization rates.

#### M. Credibility

This is a new product filing. There is currently no business in Colorado or nationally.

#### N. Data Requirements

This is a new product filing. There is currently no business in Colorado or nationally.

#### O. Side-by-Side Comparison

Since this is a new product filing, a side-by-side comparison is not applicable.

#### P. Benefit Ratio Projections

Since this is an annually rated group insurance Policy form, the lifetime loss ratio is expected to be equivalent to the target loss ratio at each Policy duration. The 70% lifetime loss ratio is expected to equal the annual target loss ratio of 70% in each policy year.

#### **Q.** Other Factors/Information

#### 1. Area Factors

The rates do vary by area according to the 11 rating regions in the state. The actual area factors used were developed by initially calculating a weighted average fee for the entire state for all services. This weighted average was calculated by first using assumed utilization rates for the top 177 procedure codes times the network fee for each procedure to get an average fee for each network fee schedule in use in the state. Each of these average fees was then weighted by the percentage of the state's population assumed to access providers on that fee schedule with the result being an average statewide dental fee. A similar process was then used to calculate an average dental fee for each of the 11 rating regions in the state. The ratios of the average fee for each region to the average fee for the state are the area factors.

Regional Factors							
Region	MAC	PPO					
CO -							
Agg	1.000	1.000					
1	0.966	1.015					
2	1.056	1.050					
3	1.043	1.032					
4	0.889	0.961					
5	0.891	0.891					
6	0.888	0.954					
7	1.014	0.915					
8	0.925	0.882					
9	0.856	0.947					
10	0.892	0.886					
11	0.991	0.995					

#### 2. Premium Modalization Rules

This Form can be billed weekly, bi-weekly, monthly, quarterly, semiannually, or annually. Weekly premiums are 1/52 of annual premiums, bi-weekly premiums are 1/26 of annual premiums, and monthly premiums are 1/12 of annual premiums. Quarterly premiums are 1/4 of annual premiums. Semiannual premiums are 1/2 of annual premiums.

## 3. Claim Liability and Reserves

An incurred but not reported claim reserve will be held for this Form. This reserve will be estimated based on the previous 12-months of claim lag data (claims by incurred and paid date).

# **R.** Rating Manuals

The rates for this Policy are based on a rate table that varies by the 11 rating regions within the state, and are separate for adults and children. The statewide average rates are shown here for each of the 6 plans and will be applied to the appropriate regional area factors provided above to arrive at the area specific rates.

Adult & Supplemental Pediatric EHB										
High MAC High PPO Mid MAC Mid PPO Low MAC Low PPO										
Adlt Prem w/o ortho	\$35.31	\$43.81	\$30.96	\$38.70	\$27.27	\$33.97				
Adlt Prem w/ortho	\$38.56	\$47.06	\$34.21	\$41.95	n/a	n/a				
Chld Prem w/o ortho	\$4.56	\$4.63	\$2.98	\$3.26	\$1.57	\$1.60				
Chld Prem w/ortho	\$9.07	\$9.14	\$7.49	\$7.77	n/a	n/a				

#### **Actuarial Certification**

I, William J. DeCapua, am an Associate of the Society of Actuaries, and a Member of the American Academy of Actuaries, and meet the "Qualification Standards of Actuarial Opinion" as adopted by the American Academy of Actuaries. I certify that to the best of my knowledge and judgment, this filing is in compliance with the applicable laws of the State of Colorado and with the rules of the Department of Insurance; and complies with Actuarial Standards of Practice No. 8, "Regulatory Filings for Rates and Financial Projections for Health Plans", as adopted by the Actuarial Standards Board. The premiums are neither excessive, inadequate, nor unfairly discriminatory; and the benefits provided are reasonable in relation to the premiums charged.

W	M	9.	T	e Gei	ıa	
Consul	lting	g Actua	ıry			
06/12/20	)13					
Date						

					Exh	ibit I					
				Avera	age Charge	s and l	Itilization				
In-Net	work	a			01111	Out-O	f-Network		01.11.1	81.11.1	
Cat		Child Type Of	Child Average	Child Utilization	Child	Cat		Child Type Of	Child Average	Child Utilization	Child
Code	Category of Service	Service	Charge	Per 1000	Cost	Code	Category of Service	Service	Charge	Per 1000	Cost
Couc	Category of Service	Gervice	Charge	1611000	COST	Couc	Category of Service	Service	Charge	1 61 1000	Cost
cl	Cleanings	Α	52	706	37.00	cl	Cleanings	Α	52	706	37.00
ex	Exams	Α	33	1092	36.26	ex	Exams	Α	33	1092	36.26
fl	Fluoride	Α	25	609	15.17	fl	Fluoride	Α	25	609	15.17
se	Sealants	Α	37	392		se	Sealants	Α	37	392	
sm	Space Maintainers	В	266	10		sm	Space Maintainers	В	266	10	
ep	Emergency Pain	В	64	2		ep	Emergency Pain	В	64	2	
rb rf	Radiographs - Bitewings Radiographs - FMX	A A	28 77	520 112		rb rf	Radiographs - Bitewings Radiographs - FMX	A A	28 77	520 112	
fi	Restorations (Amalgams & Anti-	В	101	450		fi	Restorations (Amalgams & An	В	101	450	
cfi	Restorations (Posterior Resin)	В	139	43		cfi	Restorations (Posterior Resin	В	139	43	
sie	Simple Extractions	В	123	102		sie	Simple Extractions	В	123	102	
sue	Surgical Extractions	В	406	72		sue	Surgical Extractions	В	406	72	
os	Oral Surgery	С	446	4	1.65	os	Oral Surgery	С	446	4	1.65
en	Endodontics	В	277	28		en	Endodontics	В	277	28	
pm	Periodontal Maintenance	С	94	1		pm	Periodontal Maintenance	С	94	1	
mip	Non-Surgical Periodontics	С	132	5		mip	Non-Surgical Periodontics	С	132	5	
map	Surgical Periodontics	С	380	2		map	Surgical Periodontics	С	380	2	
in	Inlays	С	585	0		in	Inlays	С	585	0	
on	Onlays	С	711	0		on	Onlays Crowns	С	711	0	
cr crr	Crowns Crown Repairs	B C	318 66	22		cr crr	Crowns Crown Repairs	B C	318 66	22	
br	Bridges	C	638	0		br	Bridges	C	638	0	
brr	Bridge Repairs	C	90	0		brr	Bridge Repairs	C	90	0	
de	Dentures	С	1025	0		de	Dentures	С	1025	0	
der	Denture Repairs	С	107	0		der	Denture Repairs	С	107	0	
an	Anesthesia	С	268	39	10.44	an	Anesthesia	С	268	39	10.44
О	Orthodontic Coverage	D	0	37	0.00	О	Orthodontic Coverage	D	0	37	0.00
	In-Network						Out-Of-Network				
		Child	Child	Child				Child	Child	Child	
		Total	Total	Total				Total	Total	Total	
		Annual	Annual	Monthly				Annual	Annual	Monthly	
	Service	CC	Util	CC			Service	CC	Util	CC	
	Class A	126.07	3431	10.51			Class A	126.07		10.51	
	Class B	110.88	729	9.24			Class B	110.88		9.24	
	Class C	14.16	52	1.18			Class C	14.16		1.18	
	Class D (Ortho) Total	0.00 251.11	7 4220	0.00 20.93			Class D (Ortho) Total	0.00 251.11	7 4220	0.00 20.93	
Calc	ulation	In-Network In-Network CHILD					Out-of-Network				
٠.					Out	-			t-of-Networl		0.11.
Step	Dana Manathii Chi	A 10.505	B 0.240	C 1 100	Ortho			A 10.505	B	C 1 100	Ortho
1	Base Monthly Charges	10.505	9.240	1.180	0.000			10.505	9.240	1.180	0.000
3	Trend Adjustment Sub-Total 1	1.015 10.663	1.015 9.379	1.015 1.198	1.015 0.000			1.015 10.663	1.015 9.379	1.015 1.198	1.015 0.000
4	Deductible Adjustment +/-	0.000	-1.205	-0.100	0.000			0.000	-1.205	-0.100	0.000
5	Sub-Total 2	10.663	8.173	1.098	0.000			10.663	8.173	1.098	0.000
6	Plan Max Adjustment	1.000	1.000	0.860	1.400			1.000	1.000	0.860	1.400
7	Coinsurance Adjustment	0.000	0.200	0.500	0.000			0.000	0.000	0.500	0.000
8	Sub-Total 3	0.000	1.635	0.472	0.000			0.000	0.000	0.472	0.000
		In-Netwo	ork					Out-of-Ne	etwork		
		Child						Child			
9	Combined Sub-Total	2.11						0.47			
10	Penetration Assumption	0.385						0.615			
11	Sub-Total 4	0.811						0.290			
		Blended									
40	Diameter in a C + Civity C +	Child		-							
	Blended In & Out Claim Cost	1.10									
13	PPO pepm Fee	0.00									
14	Expense Percentage	70.0%									
15	Premium	1.57									
16	Manual Rates	Manual R	ates Bv Tie	er Structure							